
From: Paul Freedman
Sent: Sunday, August 20, 2006 10:12 PM
To: Joyce Freedman (joyce.freedman@ucsf.edu)
Subject: Business Idea

Mom,

I had a business idea that I think is so good that I can't sleep. I thought I would share and get your thoughts. Here is the concept:

A For-Profit "college bridge" school. Basically a network of schools that focuses on preparing students for a traditional college program. The curriculum would be at the advanced high-school/junior college level, and would include "core" subjects (math, science, and writing) in addition to "college readiness."

The school would use for-profit marketing tactics and course delivery options. The primary target market for the school would be first generation college students, international students, and "second chance" students (people that didn't get in directly to an acceptable college program).

The idea for this comes from two different trends in higher education: First, the trend of the student groups mentioned above to increasingly get for-profit degrees; and Second, the low perceived value among employers of a for-profit degree. Basically it seems to me that kids are getting tricked into going to a Capella or Phoenix because they offer more flexible options, and they market their services more aggressively, but these degrees aren't nearly as valuable as going to a traditional college.

A better option would be to "Bridge the Gap" and get these kids into a one or two year program that introduces them to higher education at the same time as it improves their academic abilities. This is basically the intent of community colleges, but as we both know, the US system of community colleges is completely dysfunctional.

It would be fantastic if partnerships could be formed with traditional schools such that rejected students are encouraged to go to a "college bridge" school. I know this is a stretch considering non-profits tend to shy away from for-profit schools, but the difference in this case is that my school would be preaching the value of a "traditional" degree.

If successful this business can save traditional higher education institutions from losing out to the for-profits.

What do you think?

Paul



Business Overview

5.02.08

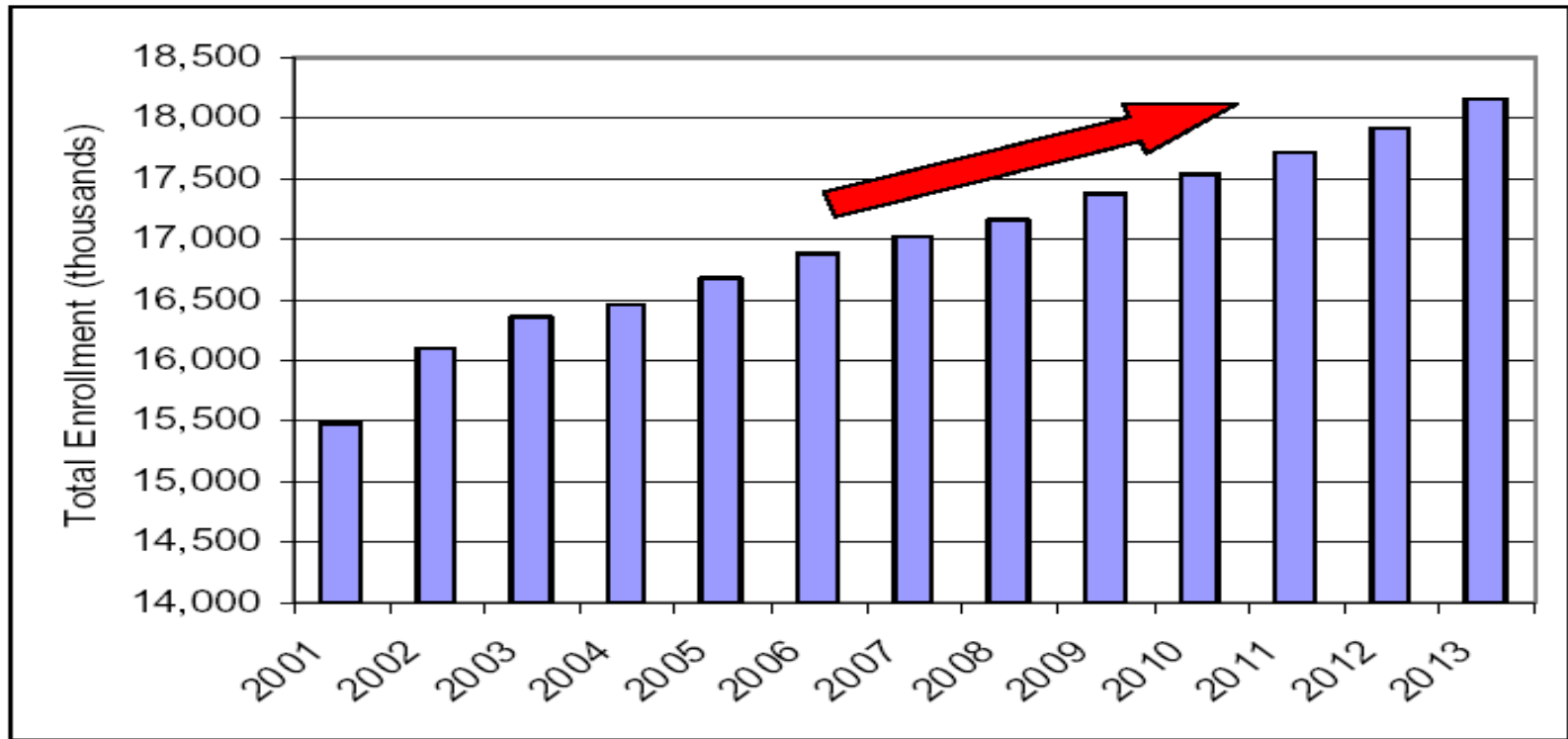
Outline

- Market Overview
- Ivy Bridge College
- Deal Structure
- Marketing
- Competition
- Organization
- Financials

Market Overview

Enrollments are Growing Across all Segments of Higher Education

Total Enrollment in Degree-Granting Institutions (Fall)
Source: NCES, Projections of Education Statistics to 2013



Growth is Fastest in Non-Traditional Segments

Segment	Estimated 2005 Enrollment	Average Enrollment	Percent of Total	Predicted Annual Enrollment Growth (2004-2014)
Overall	17.3M	3,982	100%	1.1%
2-Yr Private	272K	1,079	1%	2.4%
4-Yr Private	3.3M	2,111	20%	1.6%
2-Yr Public	6.2M	5,426	36%	1.7%
4-Yr Public	6.7M	10,606	39%	0.8%
For-Profit	765K	686	4%	~8%

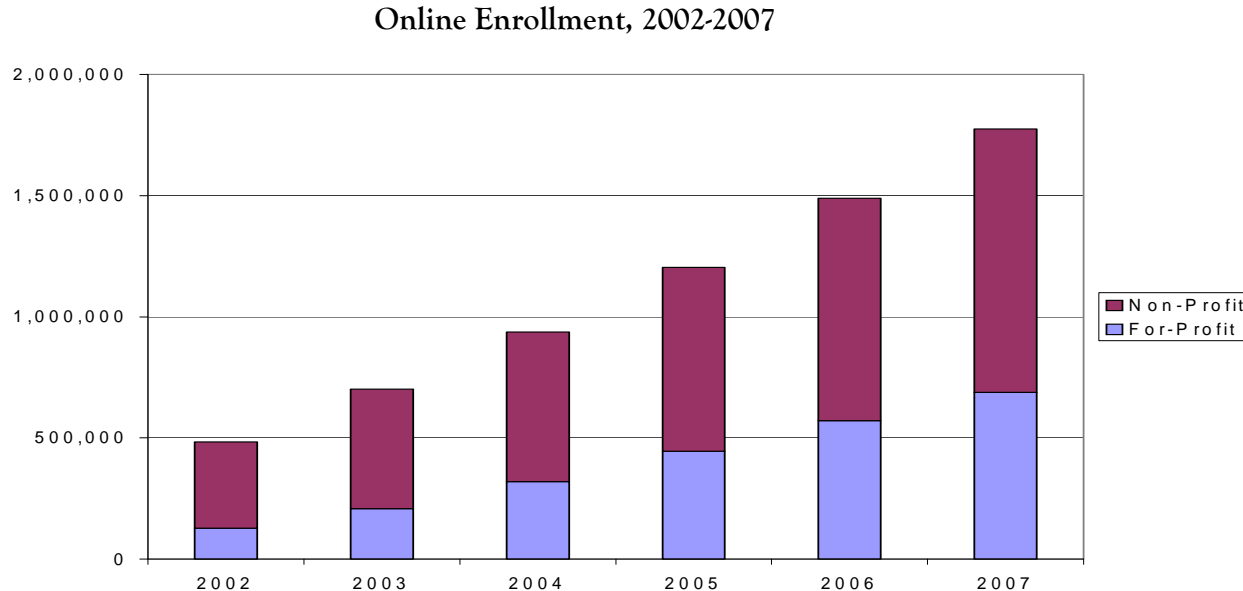
Sources: U.S. Department of Education, The Chronicle of Higher Education

5/2/2008

Business Plan

Online Education Driving Growth

- Fully online enrollment comprises 7% of all students (1.2 million) at degree-granting postsecondary institutions
 - In 2001 online learners comprised only 2% of all students; by 2008 1 in 10 are expected to study online



Source: Eduventures "Online Distance Education Market Update 2005"

- Market value of online education estimated at \$7 billion in 2005, 36% growth since 2004

Colleges Welcome Transfer Students

Despite an abundance of new students low retention rates means that Colleges and Universities are desperate for Junior transfers

National Retention Rates:

- 2006 National retention rate*: **68.7%**
- Five-year graduation rates**: **52.3%**
- Three-year graduation rates⁺: **28.9%**

*freshman-to-sophomore year, all institution types **bachelors degree in 5 years or less +associate degree in 3 years or less

- *Source: ACT Institutional Data File 2006*

Assumptions Based on Market Conditions

- There is a growing population of students that are interested in higher education.
- Increased selectivity has “widened the gap,” making traditional four-year universities less accessible to these students.
- Problems with retention will lead Colleges and Universities to look for transfer students to fill upper division classes
- *There is an opportunity for a school that bridges the gap between high school and college providing students with a “highly transferable” two-year education, and creating a feeder source of qualified transfer students for traditional four-year Colleges and Universities.*

Ivy Bridge College

Mission

Ivy Bridge College offers a high quality, two-year, online degree program that guides students to success by providing unparalleled mentoring and academic support and direct access to first-rate, four-year institutions.

Educational Model

- A high-quality two-year general education program.
- Online course delivery to ensure flexible learning options.
- Support Services: Each Ivy Bridge student is assigned a personal **Success Coach** to assist with their educational progress.

Deal Structure

Background: Academic Accreditation

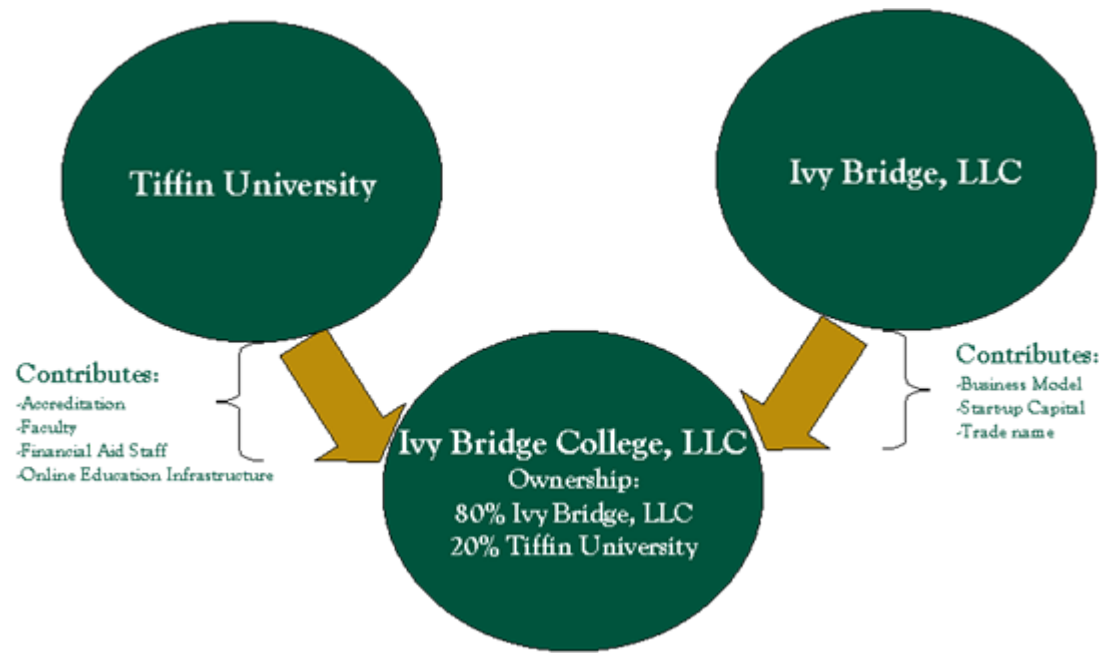
- To accept government subsidized student loans (Title IV) or grants (Pell), education intuitions have to be accredited by a select number of national or regional accreditation bodies.
- These are the preponderant sources of tuition capital thus proper accreditation is a necessity.
- The process for first-time academic accreditation is long and rigorous, and it is a serious bottleneck to the development of any new College program.
- The highest class of academic accreditation is provided by one of seven *regional* accreditation bodies authorized by the Higher Education Learning Commission. Regionally accredited degrees are generally transferable in and among accredited institutions.

Deal Structure: JV

In order to immediately offer a regionally accredited degree, Ivy Bridge, LLC formed **Ivy Bridge College** a Joint Venture with Tiffin University.

Ivy Bridge, LLC: In exchange for contributing the business model, the trade name, and the capital to fund the business plan, Ivy Bridge receives **80%** common equity, plus preferred equity equal to the amount invested at an **7.75%** interest rate.

Tiffin University: In exchange for contributing the curriculum *and their regional accreditation* Tiffin University receives **20%** common equity.



Deal Structure: Partnership

- Ivy Bridge College and Tiffin University have also entered into a five-year master service agreement.
- Tiffin University's faculty teach Ivy Bridge College classes.
- Tiffin University staff provide support services including financial aid administration.
- Under the terms of the partnership Ivy Bridge College reimburses Tiffin University's cost for the services provided and the two organizations split proceeds of the college **50-50**.

Deal Structure: Accreditation

- Within five years Ivy Bridge College will file for “Independent accreditation”
- Once received the partnership between Ivy Bridge College and Tiffin University will dissolve and Ivy Bridge College becomes a **stand-alone regionally accredited University**

About Tiffin University

- Tiffin University (TU) is an Independent, coeducational institution that was founded in 1888. TU has a 110-acre campus located in Tiffin, Ohio, which is 50 miles south of Toledo. It currently enrolls 2,000 students across its online and on campus programs.
- Ivy Bridge chose Tiffin University as a partner for three reasons:
 - TU's undergraduate degrees are regionally accredited by the HLC.
 - TU is a recognized leader in online education, as 50% of its students are enrolled through an online format.
 - Third, TU has been on an impressive growth track and has demonstrated the ability to scale infrastructure to support an influx of student enrollments.

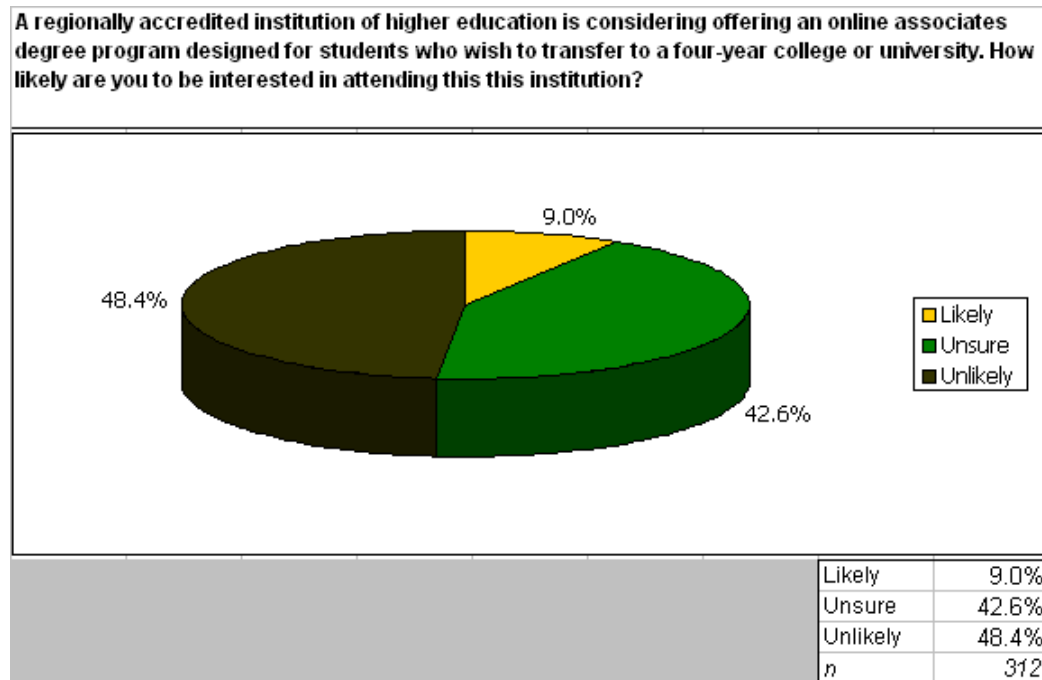
TIFFIN UNIVERSITY FALL SEMESTER ENROLLMENTS

	2003	2004	2005	2006	2007*	Four-Year Change
HEADCOUNT						
Undergraduate Degree Seeking - Tiffin	824	900	911	1014	1150	39.6%
Undergraduate Degree Seeking - Lima	8	7	0	0	0	-100.0%
Non-Degree-Seeking-Tiffin Campus	31	42	56	61	75	141.9%
Degree Completion Programs	256	311	322	375	450	75.8%
Graduate Programs	381	374	369	540	725	90.3%
Total Headcount	1500	1634	1658	1990	2400	60.0%

Marketing

Market Size

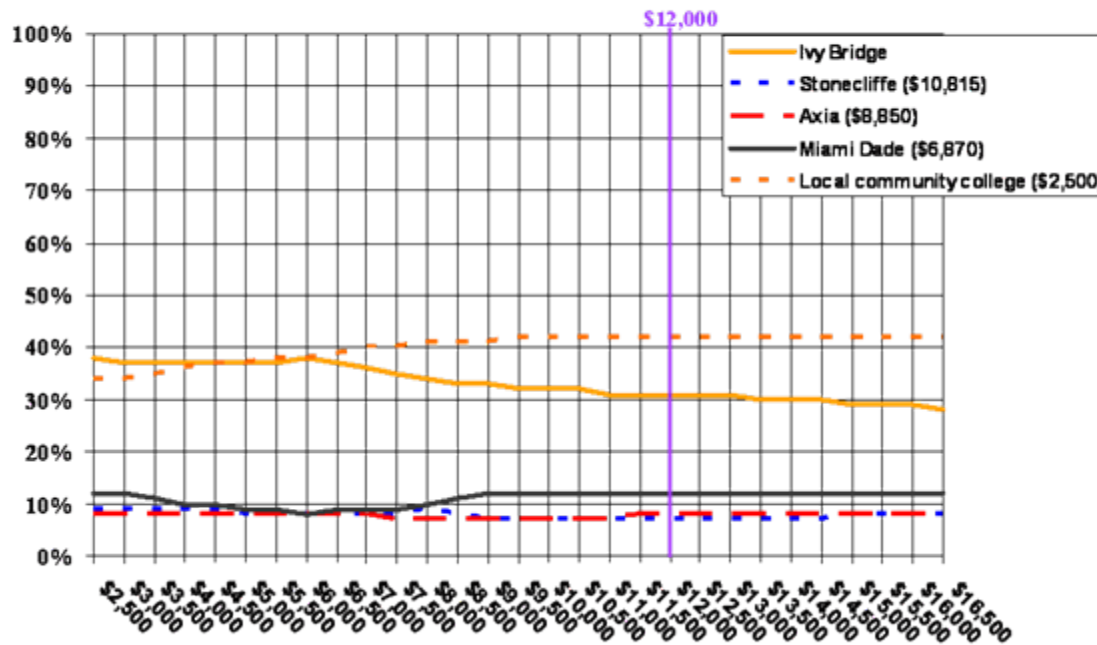
According to our research 9% of graduating High School seniors would be interested in Ivy Bridge College.



Market Size

At \$12,000 annual tuition >30% of students would prefer Ivy Bridge College over other options.

Price Sensitivity
Prospective Students

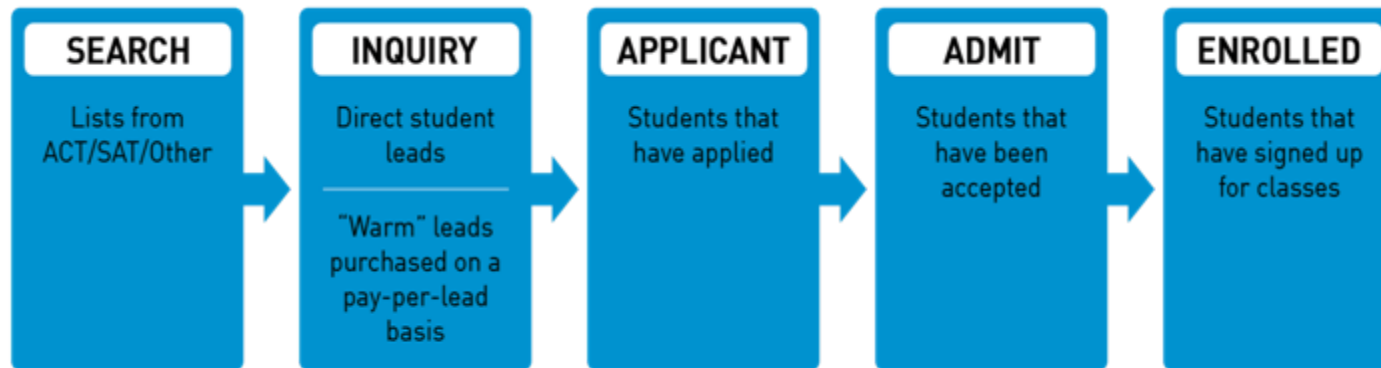


Market Size

- NCES estimates that there are **~1,900,000** college-bound seniors giving Ivy Bridge College a market size of **51,000+** traditional-aged students.
- In addition **~15%** of inquiries to date are from adult learners providing **7,000** additional potential students or a total pool of **58,000**

Marketing Plan

College Marketing is broken into five phases

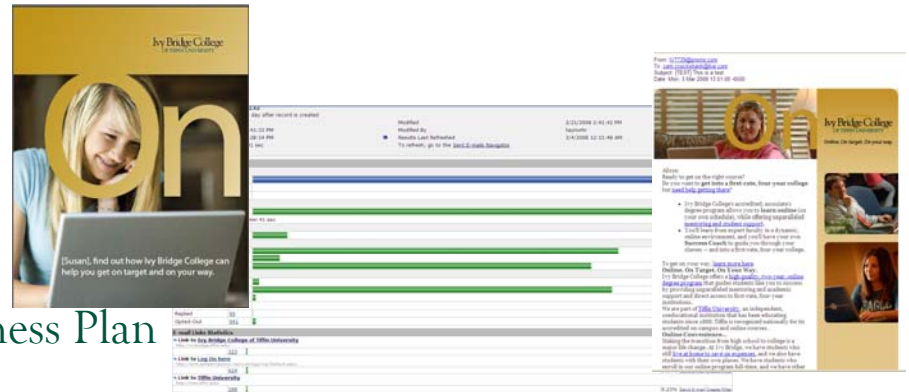


Search (Prospects)

- Ivy Bridge College has purchased the contract information of **~210,000** students that fit the profile of a student who might be interested in or program.
- Leads were purchased from the following sources:
 - ACT
 - CollegeBoard (SAT)
 - NRCCUA
 - CBSS
- These leads will be marketed-to using the following tactics
 - Direct Mail
 - Email
 - Tele-search

5/2/2008

Business Plan



Inquiries

- Inquires (hot leads) come from two sources
 - **Search Conversion:** Prospective students that reply to Ivy Bridge College based on information they receive through the search process.
 - **Acquired Leads (CPL):** Hot leads coming from college search websites purchased on a pay-per-lead basis.

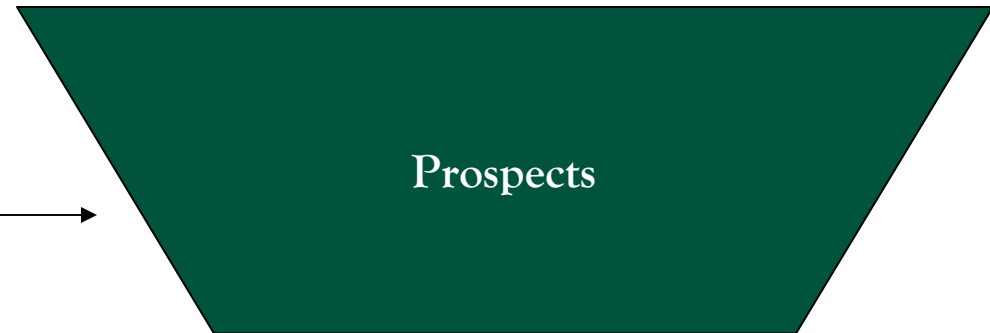
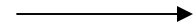
Applicants, Admits, and Enrollments

- **Applicants:** are students that have filled in Ivy Bridge's application (online or paper)
- **Admits:** are students that meet the minimum admissions criteria (1.9 GPA 19 ACT)
- **Enrollments (Deposits):** Are students that have deposited tuition money at Ivy Bridge College.

Fall 2008 Enrollment Projections

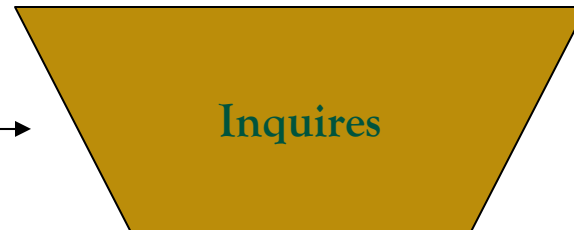
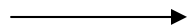
Projected by Aug. 2008
(To-Date)

210,000
(210,000)



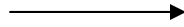
Prospects

13,700
(5,729)



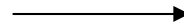
Inquires

900
(100)



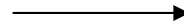
Applicants

500
(25)



Admits

204
(3)



Enrollments

Partnerships with Four-Year Universities

- Ivy Bridge College is in the process of forming partnerships with four-year institutions that we hope will eventually be a proprietary source of prospective student leads.

Three types of agreements:

- **Articulation agreements:** which govern the transfer of credit for Ivy Bridge College graduates to partner institutions.
 - **Dual Admissions agreements:** under which students are accepted into both Ivy Bridge College and the partner institution and automatically matriculate upon graduation.
 - **Dual Enrollment agreements:** which allows students to take classes simultaneously at either Ivy Bridge or the partnered institutions.
- Currently Ivy Bridge College has signed two partnership agreements with four-year colleges and is in the final stages of negotiation with many others.
 - *The current enrollment forecast assumes no benefit from these agreements.*

Competition

Competition: Community Colleges

- Investment in marketing is not sufficient for the growing market of students in need of their services.

Institution Type	Cost Per Start*
Two-Year Institutions	\$919
Four Year Institutions	\$1,233
Average: Non-Profit Institutions	\$1,684
Average: For-Profit Institution	\$500-\$1,500

Source: Harris Nesbitt; For-Profit Statistics collected at Strayer Education Investor Day, 2004

- Regional focus prevents growth outside immediate area
- The three purposes of Community Colleges dilute effectiveness
- Segment's growth does not pace with demographic growth

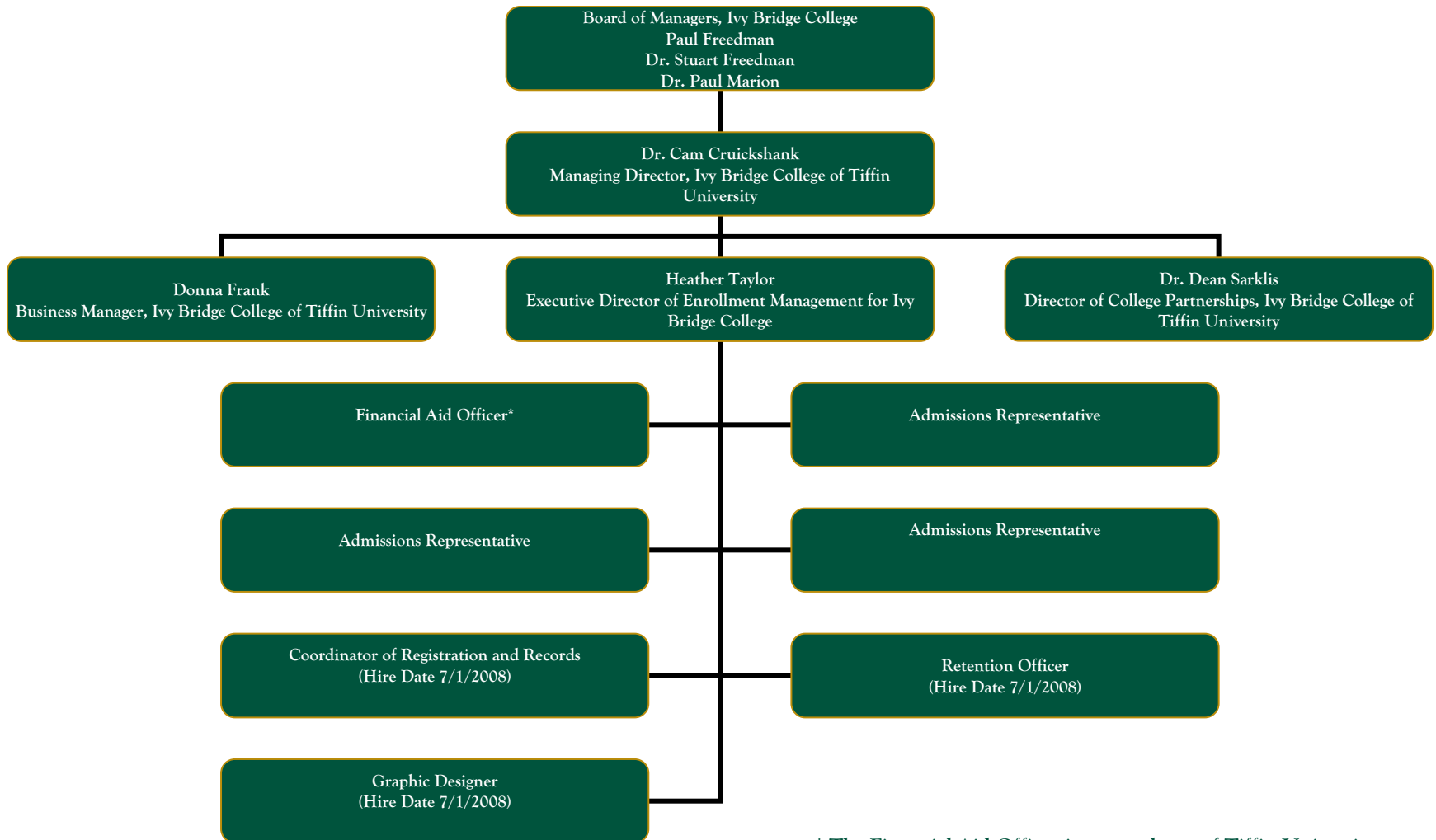
Specific Competition

- Apollo Group's Axia College of Western International University
- Career Education Corporation hopes to exploit this same market with its StoneCliffe College Online
- Miami Dade Virtual University
- According to our research at \$12,000 annual tuition Ivy Bridge College would be **preferred nearly 3-1** over each of these competitors.*

* Stamats Market Research

Organization

Org-Chart



* The Financial Aid Officer is an employee of Tiffin University

Key Staff Bios

Paul Freedman: Chairman Board of Managers

Paul Freedman founded an recruitment technology company called Academic Engine in 1999 and ran the organization for more than five years. Under his stewardship, the company acquired nearly 150 clients in the education market, expanded from a single product offering to a comprehensive suite of communication management solutions. In 2004 Academic Engine was sold to Hobsons Inc., a wholly owned subsidiary of the Daily Mail and General Trust (UK:DMGT). Since July of 2004, Paul has served as President/Managing Director of the Hobsons EMT a subsidiary of Hobsons Inc. In that position, Paul oversaw Hobsons' international presence in the higher education technology market. Under his three year tenure Hobsons EMT increased revenues and profits over ten fold. Further Paul spearheaded multiple acquisitions and company integrations, including the 2006 acquisition of Chat University and the 2007 acquisition of AY Recruiting solutions. Paul is a member of the Board of Directors of Hobsons Inc, and Naviance Inc.

Dr. Stuart Freedman: Member of the Board of Managers

Stuart Freedman is the Luis W. Alvarez chair of experimental physics at the University of California at Berkeley with a joint appointment to the Nuclear Science Division of the Lawrence Berkeley National Laboratory. He received his Ph.D. from Berkeley in 1972. He is a member of the National Academy of Sciences, and the American Academy of Arts and Sciences.

Dr. Paul Marion: Member of the Board of Managers

Dr. Marion has worked as a college-level administrator for nearly 40 years. He is currently the president of Tiffin University a role he has had since July 1, 2002. Prior to joining TU Dr. Marion served as the President Franklin College, a school of about 1,000 students near Indianapolis. Previously, he spent 3 1/2 years as chancellor of the state college system of West Virginia and was director of higher education for the state of Arkansas for five years.

Dr. Cam Cruickshank: Managing Director

Cam Cruickshank is the Vice President for Enrollment Management Tiffin University. His primary responsibilities are to supervise recruitment and retention initiatives, and to conduct enrollment planning. He oversees the recruitment of undergraduates at the Tiffin, Ohio campus, as well as graduate and degree completion students online and at Tiffin's academic centers throughout the State of Ohio. In addition, Cam serves as an Associate Consultant for Teresa Farnum and Associates (TFA), an enrollment management consulting firm based in Denver Colorado. While at TFA Cam has been instrumental in developing new products and services, has delivered several workshops on adult student recruitment, and has served institutions in the Western part of the United States and Canada.

Key Staff Bios

Donna Frank, CPA: Business Manager

Donna has extensive experience in financial management. She has over 20 years of experience as a staff accountant, a CPA, an accounting department manager, a controller, and most recently as a Chief Financial Officer of Smith Family Frosted Food Company of Tiffin Ohio. Donna has a BS in Accounting from Heidelberg College.

Heather Taynor: Executive Director of Enrollment Management

Heather worked as Director of Recruitment for ITT Technical Institute's Maumee Ohio Campus. In her two year tenure Heather lead the campus from launch to profitability earning a number of regional and national recruitment management awards in the process. Previously Heather has served as an Enrollment Advisor at Mid-State Technical College, an Adjunct Faculty Member at Lakeland College, and an Assistant Director of Admissions at Culver-Stockton College. Heather has a BS from Urbana University and a Masters of Education from University of Louisville.

Dean Skarlis, Ed.D: Director of College Partnerships

Dean Skarlis comes to Ivy Bridge College from eCollege, Inc. a publicly traded Higher Education technology company where he was a Regional Director. In that position Dean marketed and sold eCollege's eLearning enterprise software to senior personnel at colleges and universities across the country. Prior to that Dean worked for six years at American College Testing (ACT) as a consultant for their Assessment Services division. Dean has a BA from Allegheny College, a MA in Psychology from Duquesne University, and a Ed.D. from the University of Pittsburgh.

Financials

Financials

Fiscal/Academic Year	2007-2008		2008-2009		2009-2010		2010-2011		2011-2012		2012-2013		2013-2014	
Enrollment														
Fall			204		299		361		467		603		782	
Spring			155		189		235		304		393		509	
Summer			111		115		148		191		247		321	
Total	0		470		603		745		961		1243		1612	
Revenue														
Tuition	\$0		\$2,820,284		\$3,799,582		\$4,928,695		\$6,677,488		\$9,067,746		\$12,346,357	
Total Revenue	\$0		\$2,820,284		\$3,799,582		\$4,928,695		\$6,677,488		\$9,067,746		\$12,346,357	
Expenses														
General & Administration	Ivy Bridge	Tiffin	Ivy Bridge	Tiffin	Ivy Bridge	Tiffin	Ivy Bridge	Tiffin	Ivy Bridge	Tiffin	Ivy Bridge	Tiffin	Ivy Bridge	
Total General and Administration	\$ 212,700	\$ 269,412	\$ 304,450	\$ 263,179	\$ 502,136	\$ 392,180	\$ 795,502	\$ 281,392	\$ 931,523	\$ 271,008	\$ 1,085,289	\$ 283,614	\$ 1,536,147	
Enrollment Management Expenses	Ivy Bridge	Tiffin	Ivy Bridge	Tiffin	Ivy Bridge	Tiffin	Ivy Bridge	Tiffin	Ivy Bridge	Tiffin	Ivy Bridge	Tiffin	Ivy Bridge	
Total EM Expenses	\$904,121	\$0	\$1,054,846	\$0	\$1,320,777	\$0	\$1,542,962	\$0	\$1,943,734	\$0	\$2,228,683	\$0	\$2,269,173	
Program Delivery Expenses ("Core Services")	Ivy Bridge	Tiffin	Ivy Bridge	Tiffin	Ivy Bridge	Tiffin	Ivy Bridge	Tiffin	Ivy Bridge	Tiffin	Ivy Bridge	Tiffin	Ivy Bridge	
Total Program Delivery Expenses	\$ 20,000	\$ 190,273	\$ 194,139	\$ 1,179,241	\$ 249,096	\$ 1,352,179	\$ 306,924	\$ 1,577,843	\$ 395,700	\$ 2,118,045	\$ 511,748	\$ 2,643,998	\$ 3,811,645	
Total Expenses	\$1,136,821	\$459,685	\$1,553,435	\$1,442,419	\$ 2,072,009	\$1,744,359	\$2,645,388	\$1,859,235	\$3,270,957	\$2,389,053	\$3,825,720	\$2,927,612	\$7,616,965	
Net Income	(\$1,596,506)		(\$175,570)		(\$16,786)		\$424,072		\$1,017,478		\$2,314,414		\$4,729,392	

Implied enterprise value: \$33m-\$57m

M E M O R A N D U M

TO: Jason Stoffer, Maveron
Alex Finkelstein, Spark Capital

FROM: Michael B. Goldstein
Jonathon Glass

DATE: August 18, 2009

RE: Ivy Bridge College

In contemplation of a financial transaction involving your firms and Ivy Bridge, LLC (“Ivy Bridge”) and/or related entities, you have asked us to advise you respecting the compliance with applicable education regulatory requirements and ultimately the feasibility of a certain transaction involving Ivy Bridge and Tiffin University (“Tiffin” or the “University”), a private, non-profit institution, which has resulted in the organization of Ivy Bridge College, LLC (the “Company”). The Company provides services to a newly organized academic division of the University, Ivy Bridge College of Tiffin University (the “College”). The parties’ objectives are encompassed in what is referred to as the Ivy Bridge Development Plan (the “Plan”).

The Plan contemplates a series of discrete steps that are intended to result in the near term establishment of the College as a viable online institution operating within and under the authority of Tiffin, and to culminate in the separation of the College from Tiffin as a separately accredited for-profit institution of higher education under the ownership and control of Ivy Bridge. Core to the parties’ intent is the continued qualification of the College upon its separation from Tiffin to participate in the Federal programs of student financial assistance provided pursuant to Title IV of the Higher Education Act of 1965, as amended (the “Title IV Programs” or “Title IV”).

For the reasons set forth below we conclude that the Plan can be implemented consistent with and within the framework of the regulatory requirements of the educational regulatory agencies with jurisdiction over the College as an academic institution. As also discussed, we have identified certain concerns which we believe should be addressed or considered on an ongoing basis, as applicable.

The primary regulatory agencies considered in this review are the U.S. Department of Education (“ED”), the Higher Learning Commission of the North Central Association of Colleges and Schools (“HLC”), and the Ohio Board of Regents (the “Regents” or “OBOR”) (collectively, the “Regulatory Agencies”).

Background

Our analysis is based on the review of the documents listed below, which leads to our understanding of the factual background, including certain presumptions regarding the facts set forth below. If our understanding of the facts or our presumptions are incorrect in any material respect, please let us know since any material change as to the facts or presumptions could affect our analysis and conclusions.

Documents

1. Joint Venture Master Agreement by and among Tiffin University, Ivy Bridge, LLC, and Ivy Bridge College, LLC (November 2007) (the “JV Agreement”).
2. Program Agreement between Tiffin University and Ivy Bridge College, LLC (December 2007) (the “Program Agreement”).
3. Operating Agreement for Ivy Bridge College, LLC (November 2007) (the “Operating Agreement”).
4. Intellectual Property License and Assignment Agreement by and among Tiffin University and Ivy Bridge College, LLC (December 2007) (the “IP Agreement”).
5. Letter from Paul Marion, President of Tiffin, to Dr. Steven Crowe, Executive Director, HLC (January 15, 2008), and letter from Dr. Marion to Dr. John Taylor of HLC (June 15, 2009) (collectively, the “Tiffin-HLC Letters”).
6. Statement of Affiliation Status issued by HLC with respect to Tiffin, as of July 22, 2009, which reflects HLC approval of Tiffin to offer the Associate of Arts in General Studies, the Associate of Business Administration and the Associate of Criminal Justice degrees via distance education.
7. Letter from Paul Marion, President of Tiffin, to Dr. Eric D. Fingerhut, Chancellor, Ohio Board of Regents (January 18, 2008) (the “Tiffin-Regents Letter”).
8. Amended Certificate of Authorization issued by the Regents to Tiffin for the period November 2006 to December 2011, including approval of the Associate of Business Administration and Associate of Criminal Justice Degrees, and a Regents’ resolution authorizing Tiffin to offer the Associate of Arts in General Studies Degree. We presume that the Regents have approved all of these associate degree programs to be delivered via distance education.

Factual Background and Assumptions

A. The Company is a joint venture between Tiffin and Ivy Bridge, with Ivy Bridge holding 80% of the voting participation and 20% held by Tiffin. Under the Operating Agreement, Ivy Bridge appoints two members and Tiffin appoints one member of the board of managers of the Company. The Company, either directly or through Ivy Bridge, provides a range of services to the College, including student recruitment and the management of an online course delivery system. Ivy Bridge provides financial support for the operation of the College, including the services provided by the Company.

B. Tiffin operates the College as one of its academic divisions, and students enrolled in the College have access to the same services as all other Tiffin students. The College offers programs leading to Associate degrees and has been enrolling and instructing students in its online programs for more than 18 months. Tiffin employs and oversees the College's faculty, and awards the academic credits and academic credentials to qualified students enrolled in the College's Associate degree programs. Tiffin has entered into approximately 15 articulation agreements with four-year institutions to facilitate the ability of students who successfully complete the programs offered by the College to transfer into such institutions.

C. By the Tiffin-Regents Letter and the Tiffin-HLC Letters, Tiffin notified the Regents and HLC of the establishment and operation of the College. Tiffin was not obligated to and did not disclose the existence of the Plan, including the contemplated separation of the College from Tiffin and its conversion to for-profit status. We are informed that neither the Regents nor HLC responded in writing to these letters.

D. HLC has approved the Associate degrees offered by the College. There has been no occasion for or requirement that HLC approve the existence of the College as a division of Tiffin.

E. The Plan provides that Tiffin and Ivy Bridge will cooperate so that the ownership of the College can be separated from Tiffin and ultimately conveyed to the Company (or at the Company's direction, to such other entity as it may require) with the intention to operate it as a for-profit (proprietary) institution with its own state authorization, HLC accreditation and Title IV Program Participation Agreement.

In summary, the Plan contemplates the following actions over a period of time:

1. The College, as a division of the University, will establish its own administrative offices, which will be located approximately 25 miles from the Tiffin main campus. It is anticipated that the offices of the College will be designated an "additional location" of the University by certain of the Regulatory Agencies.

2. Further implementation of the Plan will not occur until Tiffin successfully completes its periodic HLC reaccreditation review, which is expected to occur in 2010.¹

3. Once Tiffin has secured reaffirmation of its accreditation, the parties intend for the College to develop its own academic, administrative and financial resources as necessary for the College to qualify to be approved as a branch campus by HLC, OBOR and ED, and then subsequently to be approved by each as a free-standing institution, still under the ownership and control of Tiffin.

4. When the College obtains free-standing status, and at such time as Ivy Bridge may direct, Tiffin will transfer ownership and/or control to the Company or its designee, as appropriate under the applicable regulatory requirements.

Legal Background and Analysis

While each of the Regulatory Agencies has its own standards and policies as may be applicable to the Plan, and each makes its decisions entirely independent of the others, these standards, policies and ultimately decisions are inter-related. For example, HLC may grant the College separately accredited status but ED may decline to designate it as a branch campus, even though, as discussed below, the standards for such action are nearly identical.

The actions of ED are the most critical, since upon those actions hinge the ability to implement the final stage of the Plan; that is, to separate the College from Tiffin and convert it to a for-profit institution that would continue to participate in the Title IV Programs. While implementation of the Plan as described is consistent with ED law and regulation, it must be recognized that ED has considerable latitude in the exercise of its discretion. The key issue surrounds the so-called “Two-Year Rule,” which requires a for-profit institution to be in existence (i.e., holding state authorization, enrolling students and offering instruction) for two years before gaining eligibility to participate in the Title IV Programs. The conversion of the College into a for-profit institution that is immediately eligible to participate in the Title IV programs is primarily dependent on the ability to demonstrate that the College has the requisite two-year period of operation. Under the applicable regulation, that period would commence when the College is designated by ED as a branch campus while still a component of the University.

There are two issues to consider. First, ED has historically evidenced reluctance to make the designation of a branch campus, which is a defined term for Title IV purposes. Second, as presently configured the College would operate exclusively as an online division, so that its separate offices would not necessarily be considered as an instructional location. While ED has recognized online operations centers as main campuses, ED has been inconsistent in its willingness to formally recognize the operations center of an online program offered by a conventional institution, such as Tiffin, as a separate location or branch campus, on occasion arguing that to be designated an “additional location” instruction must occur *at the site*.

¹ While we have no reason to believe that there is any doubt of the reaffirmation of Tiffin’s HLC accreditation, further diligence on this point would be prudent.

Ohio Board of Regents (OBOR)

Ohio is considered a very high regulation state. OBOR regulations specifically recognize off-campus instructional activity using “geographically dispersed arrangements for teaching and learning,” including arrangements for teaching and learning via distance education. OBOR has approved other existing Tiffin sites, as reflected on Tiffin’s Amended Certificate of Authorization, and the University would be expected to promptly secure such approval for the College upon the opening of its remotely located offices.

As a general matter, OBOR regulations require that the parent institution must maintain exclusive control of extended campuses, including control over academic programs, curriculum, faculty and support services (including student services and learning facilities). Specifically with respect to academic control, “the design, conduct, and evaluation of all off-campus instructional activities must be under the direct and continuous control of the sponsoring institution’s established process for academic planning and quality maintenance.”² Likewise, with respect to the curriculum, “all off-campus teaching and the credits awarded in such instructional activity must bear a clear relationship to the degree programs of the sponsoring institution.”³ Similar standards apply to the selection and quality of faculty.

The parties will need to ensure that Tiffin continues to demonstrate the appropriate level of central oversight, consistent with the Plan goal of building the capacity of the College to permit it to become increasingly autonomous and, eventually, independent of Tiffin.

OBOR approval will be required for the conversion of the College to a free-standing and then for-profit institution at such time as those steps are contemplated to occur. It is to be expected that upon the College seeking free-standing status OBOR will require the College to apply for a Certificate of Authorization under the procedures and standards applicable to an institution seeking initial authorization, and to separately seek authorization for conversion to a for-profit form.

It is possible that, depending on the nature of the educational programs that the College will offer at the time of its conversion to for-profit status, the College may also require approval from the Ohio State Board of Career Colleges and Schools (“OSBCCS”), which regulates institutions offering “programs designed to prepare students for potential employment in a recognized vocation, occupation, or profession at the certificate, diploma, or degree level.”⁴ The fact that the College would be a degree-granting institution does not provide it an automatic exemption from the jurisdiction of the OSBCCS, which is dependent on the nature of the programs offered. OSBCCS is not expected to pose an obstacle to implementation of the Plan, but rather a further administrative step for which advance planning is required.

² Ohio Administrative Code § 3333-1-08(C)(3)(b).

³ Ohio Administrative Code § 3333-1-08(C)(3)(c).

⁴ Ohio Revised Code Chapter 3332.01(B),(C) and (E); Ohio Administrative Code § 3332-1-04(A).

This bears on a separate issue relating to Federal law: current Title IV Program requirements limit for-profit institutions to programs that prepare students for “gainful employment in a recognized trade or occupation.” This provision, which dates to the admission of for-profit schools to the Title IV Programs, has been construed to preclude a for-profit institution from offering general liberal arts programs. Based on this Title IV requirement, the nature of the College’s programs *prior to* separation from Tiffin must take into account those programs that it will be able to offer *after* separation and conversion to for-profit status. If there are non-conforming programs offered while the College is either part of Tiffin or, when independent, still non-profit, the disposition of students enrolled in such programs must be considered. Presumably, such students would remain enrolled in Tiffin.

Higher Learning Commission (HLC)

For HLC purposes it is contemplated that the College will move through two phases: first designation as a branch campus and then securing separate accreditation (preceded by designation as a “separately accreditable component” of Tiffin). The HLC policy guidelines⁵ define the characteristics of a “branch campus,” which must be geographically apart and independent from the main campus and have “all or most”⁶ of the following attributes:

- Offers courses in educational programs leading to a degree, certificate, or other recognized educational credential;
- Is permanent in nature;
- Has its own faculty and administrative or supervisory organization;
- Has academic resources and support services for students that include library, laboratories, business operations, admissions, advising, and registrar/records maintenance housed on this location; and
- Has its own budgetary and hiring authority.

Campuses that do not meet these criteria are classified as a “site” or “course location.”

If a campus becomes so independent of the parent institution that the latter no longer has the requisite level of direct control, HLC rules require that it be separately accredited. The characteristics of a separately accreditable campus are set out in Policy No. 3.4(b) (revised in June 2009), which provides that:

A component of a larger institution that is currently included in that institution’s accreditation may be separately accreditable if a significant portion of responsibility and decision making for its educational activities lies within the component and not in the other parts of the larger system as defined in the Characteristics outlined in this section. The component may be separately accreditable if it has the following characteristics:

⁵ See Information for Institutions Regarding Off-Campus Instructions, Commission Definitions and Approval Protocols (revised 04/07/2009).

⁶ Despite this apparent invitation to consider how to meet “most” of the criteria, in our view it is only prudent for the parties to plan on how they can meet all of the criteria in order to achieve branch status and then separately accreditable status.

1. has, under board policy, substantial financial and administrative independence from the home institution including matters related to personnel;
2. has a full time chief administrative officer;
3. is empowered, under board policy, to initiate and sustain its own academic programs;
4. has degree-granting authority in the state or jurisdiction in which it is located; and
5. public information about the institution, the component, and any corporate parent or structure is consistent with the characterization of the entity as a separately accreditable entity.

The principal element is assurance that substantial decision-making authority resides in the College itself. Even when separately accredited, the College remains a part of Tiffin, except that its day-to-day operations would be internally managed pursuant to a specific grant of authority from the University's governing board.

While the applicable HLC Policy does not speak to the geographic proximity of the main campus to the separately accreditable component, and indeed it is possible (although more difficult) for a unit to become separately accredited and still remain physically integrated, it is preferable that there in fact be a physical separation. (Of course, the ED definition of a branch campus, core to the implementation of the Plan, *requires* spatial separation).⁷

U.S. Department of Education

There are three primary issues under the ED regulations and practices to consider in implementing the Plan: the criteria for ED approval of a branch campus, ED's historic view that an "online campus" is an oxymoron, and the significance of ED's Two-Year Rule in terms of when a conversion to a for-profit form can occur.

ED's definition of a branch campus is substantially similar to the HLC criteria for branch campus designation.⁸ Pursuant to the applicable regulations, codified at 34 C.F.R. § 600.2, a "branch campus" is defined as:

A location of an institution that is geographically apart and independent of the main campus of the institution. The Secretary [of Education] considers a location of an institution to be independent of the main campus if the location –

1. is permanent in nature;

⁷ We have discussed the HLC procedure as a two-step process in which the College would become a branch, and then become separately accredited. There would seem to be advantages to this two-step process, including that it enhances the ability of the parties to coordinate the process with the other two Regulatory Agencies. However, HLC does not mandate this two-step approach. If the parties believe that the College could be prepared to seek separate accreditation without any intervening phase as a branch, that appears to be allowable under HLC Policy.

⁸ In ED nomenclature, the College will remain a branch campus for Title IV purposes even as it progresses from branch status to become a separately accreditable component for HLC purposes.

2. offers courses in educational programs leading to a degree, certificate, or other recognized educational credential;
3. has its own faculty and administrative or supervisory organization; and
4. has its own budgetary and hiring authority.

While the regulation is written in the present tense, so that the elements only need to be present at the time that Tiffin files the application for the College to be designated as a Title IV branch campus, when we examine the documentation that ED has required in the few instances it has considered a branch application, it is clear that ED will look for evidence that at least some of the requirements have been met for some prior period of time. ED's Federal Student Financial Aid Handbook (the "SFA Handbook"), while considered subregulatory guidance, provides useful information respecting the documentation required in support of a branch designation. The SFA Handbook identifies the documentation necessary for ED to determine whether a non-main campus educational site is an eligible branch campus as follows:⁹

- A statement listing the [geographic] distance between the main institution and the applicant non-main campus educational site.
- State authorization of the quasi-independent status of the non-main campus educational site from the main institution in any of the following forms: applicable state law, state charter, university system organization document, or state department of education or state board or regents regulations or documentation.
- State authorization (in any of the four forms above) for the non-main educational site to have its own faculty and administrative staff, its own operating budget, and its own authority to hire and fire faculty and staff.
- An official statement from the school describing the hiring authority of the non-main educational site.
- A statement from the main institution's primary accrediting agency indicating that it has accredited both the main institution and the non-main educational site through separate on-site visitations, and that the non-main educational site's accreditation is distinct yet dependent upon the main institution.
- A specific description of the relationship between the main campus of an institution of higher education and all of its branches, including a description of the student aid processing that is performed by the main campus and that is performed at its branches.
- The operating budget of the non-main campus educational site for the current year and the two prior fiscal years.
- Consolidated financial statements for the prior two years showing a breakdown of the applicant's financial circumstances.

While awkwardly phrased, it is clear that ED will look to OBOR and HLC for evidence that those agencies view the College as having the characteristics embodied in the ED definition of a branch campus.

⁹ SFA Handbook 2009-2010, volume 2, chapter 5, page 66

ED can apply criteria that go beyond the terms of the applicable regulation, particularly with regard to establishing a temporal history of the College as part of Tiffin, in ways that the parties need to consider in their planning. For example, the SFA Handbook indicates that the evidence of the financial circumstances of the branch campus can be satisfied by consolidated financial statements of Tiffin, which requires that the operations of the College be properly segregated for this purpose from the earliest possible date.

A general timeline for the achievement of the Plan, considering ED's requirements, would appear as follows:

- Tiffin successfully completes its HLC reaffirmation.
- Tiffin applies to OBOR and HLC for approval of the College as a branch campus (in OBOR and HLC parlance) of the University.
- The Tiffin Board of Trustees resolves to grant the College the autonomy necessary for it to be determined by HLC to be separately accreditable, and HLC is petitioned to designate the College as separately accreditable, and thereafter implements the process to secure separate accreditation.
- Contemporaneously Tiffin applies to ED to have the College designated as a branch campus as defined in the Title IV regulations.
- With the consent of OBOR, HLC and ED, the Tiffin Board of Trustees transfers the College to a separate entity under Tiffin control. The College remains authorized, accredited and Title IV-eligible.
- Ivy Bridge acquires ownership, either directly or through the Company, or otherwise directs a change in control of the College.
- With the approval of OBOR, HLC and ED, the College is converted to for-profit form under the ownership and control of Ivy Bridge or a designee such as the Company.

A critical factor is the need for ED to recognize the College as a branch while it is under Tiffin control. As discussed above, this designation starts the clock respecting the "Two-Year Rule," and therefore should be considered a key gating event. The Two-Year Rule was promulgated approximately twenty years ago to discourage for-profit institutions from proliferating by simply converting their campuses into free-standing institutions. The Two-Year Rule is embedded in the definition of a "proprietary institution," which is in part defined as an educational institution that "has been in existence for at least two years."¹⁰ The same regulation further defines the two-year period:

(b)(1) The Secretary considers an institution to have been in existence for two years only if (i) [t]he institution has been legally authorized to provide, and has provided, a continuous educational program to prepare students for gainful employment in a recognized occupation during the 24 months preceding the date of its eligibility application; and (ii) [t]he educational program that the institution provides on the date of its eligibility application is substantially the

¹⁰ 34 C.F.R. § 600.5 (emphasis added)

same in length and subject matter as the programs that the institution provided during the 24 months preceding the date of its eligibility application.

* * *

(3) In determining whether an applicant institution satisfies the requirement contained in paragraph (b)(1) of this section, the Secretary (i) *[c]ounts any period during which the applicant institution has been certified as a branch campus.*

Note the express use of the term “branch campus,” a defined term under the applicable regulations. For purposes of the Two-Year Rule, ED will not count any period during which the applicant was approved as an “additional location,” a less rigorous designation in Title IV terminology, or operating without formal ED recognition.

Finally, based on recent experience we would anticipate that ED would expect that once a campus is separately accredited it should promptly apply to become a free-standing institution in its own right. As such, the College may need to operate as a non-profit free-standing institution (whether or not still under the control of Tiffin) for a period of time before being able to convert to for-profit operations. This is not an uncommon situation and readily managed.

Summary of Regulatory Analysis and Conclusion

The Plan to ultimately convert Ivy Bridge College of Tiffin University into a free-standing regionally accredited for-profit institution that is a participant in the Title IV Programs is generally consistent with our understanding of applicable law, regulation, policy and practice. However, we suggest that there are several issues that merit careful consideration:

1. There are ambiguities in certain of the governing documents, particularly in clearly differentiating between the Company and the College. The latter, as an academic division of Tiffin University, is solely responsible for the non-delegable core academic services that characterize an institution of higher education. The former is at this point a provider of certain supportive services, such as marketing and enrollment management as well as the provision of certain learning materials for review, adoption and use by the College. While ultimately the Company and the College may merge when the latter becomes an independent for-profit institution, it is essential that until then their respective rights and responsibilities be kept demonstrably separate. Our review of the documentation supporting the transaction indicates to us that there is considerable ambiguity as to the respective rights, roles, responsibilities and obligations of the Company and the College. Failure to resolve these ambiguities could prove exceedingly troublesome as the project progresses towards its more advanced stages. We suggest that these documentation ambiguities be addressed prior to closing of the contemplated transaction.

2. The Plan contemplates a period of years during which the College will continue to operate as an academic unit of Tiffin. During that period the College is subject to the vagaries of the law, regulations and policies of OBOR, HLC and ED. As these requirements may change over time, it is exceedingly important that any statutory or regulatory changes be closely monitored and the parties be prepared to make adjustments as a result of any such changes.
3. Each of the Regulatory Agencies must be satisfied that Tiffin and the College are operating in accordance with applicable law, regulation and policy, so that the contemplated changes would be permitted to occur. In this regard, it is important to note that many of the activities undertaken by the Company on behalf of the College, specifically relating to the recruitment of students, are subject to the requirements of the Regulatory Agencies and, more to the point, errors on the part of the Company (or Ivy Bridge) will be imputed to Tiffin, which then has a right of indemnification under the Agreements.
4. Each of the actions taken by Tiffin to move the College towards free-standing and ultimately independent status must be accepted by each of the Regulatory Agencies and each must grant the appropriate status. In this regard, to the extent that these agencies (especially HLC and OBOR) are satisfied that the College is offering quality academic programs and student services and generally operating with a careful regard for the interests of its students, they will be more inclined to review the Plan in a favorable light. The obligation on the part of the University to ensure that the College is functioning properly cannot be delegated.
5. When the College is separated as an independent, free-standing institution and converted to for-profit status it must meet ED criteria for financial responsibility, key of which is having two years of *audited* financial statements. Depending on whether it meets those criteria, the College may be required to post a letter of credit and be subjected to growth restrictions. Planning to secure such financial data in a form readily available to the reviewing agencies will greatly enhance the speed at which the Plan can be brought to fruition.
6. Regulatory agencies are particularly sensitive to institutions that have undergone a recent change of ownership undertaking immediate substantive changes. Measured growth is a sine quo non for all of the regulators, notably with regard to new programs and services. None of the Regulatory Agencies will want to see the College submit a substantial change request – particularly in terms of the establishment of new program areas or campuses – until some time has passed and the administrative and academic capacities of the College in its for-profit form, have not been overwhelmed.

Based upon our direct experience in this type of transaction, we are satisfied that the Plan provided to you is reasonable from a regulatory and a commercial business perspective, assuming that the first issue referenced above is immediately and satisfactorily addressed.

Science/Psychology. Its ability to measure and evaluate local and national market trends will result in sustainable long-term enrollment levels. (Core Component 2a)

- Tiffin University has engaged in a series of annual strategic plans, along with actions taken to update progress and continued needs. These plans have been embraced by institutional stakeholders and the Board of Trustees. It is evident that the University is embracing innovation and change with regard to on-line programs and Ivy Bridge entrepreneurship ventures. The University has stayed true to its mission in these new opportunities. Its focus on career oriented disciplines such as business and criminal justice is clear evidence of programs that support the mission. (Core Component 2a)
- TU has effectively applied the principles of entrepreneurship in identifying market opportunities to grow its enrollment. It utilizes a fairly narrow segmentation strategy concentrating on a few academic programs (Business, Criminal Justice) where it has the expertise to recruit students and effectively deliver programs. (Core Component 2a)
- TU effectively utilizes strategic alliances/partnerships to develop and grow academic programs and to expand its local, national, and global presence. These alliances have been particularly effective in the success of the online Associates Degree programs and the International master's and bachelor's degree programs. (Core Component 2b)
- TU is appropriately investing in the main campus in Tiffin, Ohio. Recent investments include a new technology center, general facility modernization, athletic fields, and areas where students congregate. A new recreational center is now under construction. These investments are a core factor in the University's long-range student retention strategies. (Core Component 2b)
- The financial resource base of Tiffin University has had challenges but, with increasing enrollments, a number of institutional improvements have been implemented. For example, it has granted faculty and staff salary adjustments of 4-5% over the past several years. Investments in technology have been numerous, including 25 new computers in the student complex and many upgrades throughout the campus. Tiffin has been generous with its tuition benefits to faculty and staff. In addition, facilities have been built and a new recreation center is being constructed and is projected to be debt-free by its completion. (Core Component 2b)

- TU desires to be a “good neighbor” to Seneca County and the City of Tiffin. Service to the greater Tiffin community is a value defined in the TU Principles for Action. Students are involved in a wide variety of service learning opportunities locally and throughout the state of Ohio. Locally, students volunteer at the Humane Society, tutor at area public schools, hold music clinics for local high school students, raise funds for organizations such as the American Cancer Society, Susan G. Koman Foundation for Breast Cancer Awareness, and the American Red Cross. They also do volunteer work with the Highway Clean-up for Seneca County Program and the local YMCA to name just a few ways the campus students seek to serve and be involved in their community. (Core Component 5c)
 - TU has proven to be responsive to the educational needs in its immediate area, region and across higher education. Through market research, TU recognized the need within higher education for programs including the online associate’s degree and International bachelor’s and master’s degree programs. TU is offering a quality education at an affordable price for these constituents. (Core Component 5c)
 - A life of service is embedded into the TU campus culture. In order for full time faculty members to be considered for promotion they must provide evidence of their involvement in the local community as well as professional organizations. On a yearly basis, faculty submit a Faculty Activities Report summarizing their involvement related to teaching, scholarship, service to TU, and to the Tiffin community. (5d)
 - The local Tiffin governmental leaders and the TU administrative leaders have developed a strong collaborative partnership. TU enjoys a positive working relationship with the City of Tiffin and Seneca County in order to determine how the entities can invest in the community in ways that are mutually beneficial. Through service learning opportunities, beautification projects and the creation of common aspirations, these entities are a model of what an exemplary cooperative relationship looks like. (5d)
2. **Evidence that one or more of the specified Core Components need institutional attention**
None
 3. **Evidence that one or more of the specified Core Components require Commission follow-up**
None
 4. **Evidence that one or more of the specified Core Components are not met and required Commission follow-up.**
None

C-1. Recommendation of Team

Pattern of evidence sufficiently demonstrated; no Commission follow-up recommended.

D-1. Rationale for the Team Recommendation

The University consistently demonstrates good practice in the operations of the Prague program. It has made the necessary financial and intellectual investments required to deliver a quality academic program.

E-1 Other Accreditation Issues [If applicable]

None

A-2. Statement of Focus- Site visit to the Toledo Academic Center. The team chair toured the Toledo facility and then met with administrators, full-time faculty, adjunct faculty, and current students. In June of 2008 the Commission conducted a multi-site visit for Tiffin University that included the Toledo Academic center. This report addresses the issues raised in the multi-site report that were relevant to this particular location, the facility tour, and the results of discussions with key personnel. The resource room had all relevant partnership documents and the team chair spoke directly to the principal investor by conference call. Below is a brief description of the essentials of the Partnership Agreement:

This joint venture was developed in careful consideration of the HLC "Policies Regarding Institutional Dynamics" and the Commission's "Good Practices in Contractual Arrangements Involving Courses and Programs". TU is authorized by the HLC to offer the Associate of Arts in General Studies, the Associate of Business Administration, and the Associate of Criminal Justice degrees in the online format. TU is fully and exclusively in control of all academic aspects of these degree programs, as well as financial aid, registrar, bursar, library, and bookstore functions.

The associate's degree programs are delivered under the auspices of and in the name of TU, and graduates earn a TU degree. In addition to the academic content delivered by TU, the programs also include a system of student mentoring and academic support, as well as articulation agreements with colleges and universities throughout the U.S. that allow the graduates to continue their education toward a bachelor's degree. This type of outreach is well aligned with the mission and values of TU, and more than 700 students are currently enrolled.

The investor group provided the initial resources for the development and marketing of this venture, and this funding has been very helpful in establishing a solid enrollment and assuring quality. Each year's net operating revenue is shared on a 50/50 basis between TU and Altius Education, Inc. The legal documents and other information about this joint venture were provided for review by the HLC team during its visit to Tiffin in March. (Excerpts from a statement drafted by the Tiffin University President)

B-2. Statements of Evidence

- **Evidence that demonstrates adequate progress in the area of focus.**
- The University effectively addressed the areas needing attention as documented in the 2008 multi-site report.

Area Needing Attention	Team Comment
Adequacy of Assessment of Student Performance	As documented in the Criterion 3 discussion, Tiffin has effectively addressed this issue through strong data collection and analysis processes, a sound general education assessment process, and an effective institutional process for making curricular and pedagogical improvements based on assessment results.
Lack of Support Staff	As a result of the Ivy Bridge partnership, the Toledo site has implemented excellent support staff in terms of human resources and effective processes for assisting students.
Safety Issues	Facility improvements to the Toledo center effectively addressed this issue.

- The concept of the Ivy Bridge partnership is an excellent strategic initiative. It addresses an underserved population through a strong curriculum, efficient and effective academic support, excellent instruction, and a very good online portal for program delivery.
- The Toledo facility is located in a strategic location next to a major thoroughfare. It has adequate parking and safety concerns are a priority area. TU has recently leased additional space in the small shopping mall to house additional support staff.
- The CEO and center director are effective administrators who are thoroughly involved in advancing the mission of Ivy Bridge and the entire Tiffin University.
- Team discussions with faculty indicated that they are dedicated professionals delivering a quality academic program. The faculty are committed to the concept and spirit of assessment of student learning and making ongoing curricular and pedagogical improvements.
- Students are generally satisfied with the concept, location, quality of faculty, and academic support given at the Toledo center.
- **Evidence that demonstrates that further organizational attention is required in the area of focus.**

- Students feel that the quality of the classroom technology needs enhancing. The team encourages the center administrators to address this issue as time and resources permit.
- One veteran student felt that the quality of instruction could be improved if administrators made more frequent appearances in the classroom. This is a more serious issue and should be addressed quickly and effectively by the administration.
- **Evidence that demonstrates that further organizational attention and Commission follow-up are required.**
None
- **Evidence is insufficient and demonstrates that Commission sanction is warranted.**
None

C-2. Recommendation of Team

Pattern of evidence sufficiently demonstrated; no Commission follow-up recommended.

D-2. Rationale for the Team Recommendation

Ivy Bridge College delivers quality education to a relatively underserved population. Its staff support concept is innovative and well received by the students.

E-2 Other Accreditation Issues [If applicable]

None

A-3. Statement of Focus-The University effectively addresses the low CFI indicator. Tiffin University entered into an irrevocable letter of credit in 2006 as required by the Department of Education due to noncompliance with the required financial responsibility ratios (Composite Financial Indicator) as defined by DOE. The amount of the letter of credit was approximately \$1.1 million secured by real estate (source: Notes to Financial Statements, April 30, 2009).

B-3. Statements of Evidence

- **Evidence that demonstrates adequate progress in the area of focus.**
Tiffin entered into an agreement to sell certain assets and liabilities of its wholly owned subsidiary, TUII (a senior residential facility) for \$1.25 million. The result of this transaction increased Tiffin's CFI indicator to 2.4x from .9x in fiscal year 2007 and 1.2x in fiscal year 2008. As a result of this transaction, Tiffin was removed from the DOE noncompliance list.
- **Evidence that demonstrates that further organizational attention is required in the area of focus.**

- Tiffin should submit a report of projected and annual revenues including revenues generated from tuition, auxiliaries, and fundraising.
- To ensure that the debt burden remains manageable, Tiffin should report on any significant additions to long-term debt or significant increases in the use of lines of credit.
- Tiffin should develop 5 and 10 year endowment goals and report on the progress against toward those goals.
- Tiffin and the team agreed that the University should work to maintain the CFI score between 1.7 and 2.5 or higher during the five year reporting period. The Commission should be notified if events indicate that the score will sink below 1.7.

Related Areas:

- The report should include annual projected and actual enrollments by major program and delivery method
- The annual tuition discount rate
- The Progress Report should also document annual retention rates-the freshman retention rate and retention persistence in all other programs
- Tiffin should notify the Commission in the event that a contingent liability is recorded in the context of the Prague lawsuit (this should occur when the knowledge of a potential liability is known).

5. Other visits scheduled-None

D. Commission Sanction or Adverse Action

None

E. Summary of Commission Review

Timing for next comprehensive visit 2019-20

Rationale for recommendation:

Environmental Scanning:

Tiffin's planning processes include a strong environmental scanning component that enables it to identify unique market opportunities consistent with its core competencies. Its international graduate programs and domestic majors such as Homeland Security are clear examples of acting effectively on available market intelligence.

Strategic Alliances:

Tiffin's Ivy Bridge partnership and its European alliances are clear example of using external relationships to further the mission of the University and stabilize the financial condition.

Assessment of Student Learning:

Tiffin has excellent structures and processes to collect, process, and analyze student performance data. In addition, it has committed and competent personnel to execute its assessment strategy.

Academic Programming:

CONFIDENTIAL
NONBINDING MEMORANDUM OF UNDERSTANDING

This Nonbinding Memorandum of Understanding ("MOU") is entered into as of June 27, 2011, by and between Tiffin University ("Tiffin"), Altius Services, LLC f/n/a Ivy Bridge, LLC ("AS") and Altius Education, Inc. ("AE") (Tiffin, AS and AE herein individually as "Party" and collectively as the "Parties") and summarizes the Parties intended amendments to the Joint Venture Master Agreement, Operating Agreement, Program Agreement, Services Agreement, Intellectual Property License and Assignment Agreements, Master Agreement to Lease Equipment and ancillary agreements (the "Agreements") pertaining to Altius University, LLC ("AU" or the "Company").

The proposed amendments in this MOU represent the combined efforts of the Parties to clarify expectations regarding certain activities and services both leading up to and following the establishment of AU as an independent Accredited Institution and to reflect the Parties' current strategy for independent accreditation of AU, all as contemplated in the Joint Venture Master Agreement entered into by and among Tiffin University, Ivy Bridge, LLC and Ivy Bridge College, LLC. Specifically, this MOU is intended to identify the principal changes to the extant Agreements of the Parties that address the following matters:

- a) Extension of time during which the Series X Preferred Return is payable to Tiffin;
- b) Identity of the Accrediting Body of the Company;
- c) The establishment of certain information systems by AU to service the Programs; and
- d) The transition of services, employees and faculty to as appropriate to effectuate the establishment of AU as the Accredited Institution.

The Parties understand that this MOU is intended to capture the material terms and provisions of such amendments and that additional amendments may be required to correct certain typographical errors and conform changes within and among the Agreements. All capitalized terms in this MOU shall have the meanings ascribed to them in the Agreements unless otherwise specifically set forth and defined herein.

Anything herein to the contrary notwithstanding, the Parties hereby expressly agree that none of Tiffin, AU nor AS shall have any obligation to enter into or consummate any amendments to the Agreements unless and until such amendments contemplated in this MOU are definitively set forth in amended and restated Agreements further incorporating all prior amendments to the Agreements (the "Amended and Restated Agreements"), the Amended and Restated Agreements are entered into and delivered by the Parties and then only upon and in accordance with the terms and conditions set forth in such Amended and Restated Agreements. Further, and notwithstanding the existence of this Nonbinding Memorandum Understanding, until the Amended and Restated Agreements are signed, each of Tiffin, AU and AS shall each be free to accept or reject any term or condition proposed or requested by the other Party in its sole discretion.

ALL PROPOSED AMENDMENTS IN THIS MOU AND CONTEMPLATED ACTIVITIES AND STRATEGIES IN PURSUIT OF THE OBJECTIVES HEREIN STATED SHALL BE FURTHER AMENDED, MODIFIED, AND RESTATED TO THE EXTENT NECESSARY TO ENSURE COMPLIANCE WITH EDUCATIONAL LAW AND THE REASONABLE INTERPRETATIONS OF EDUCATIONAL LAW BY THE APPLICABLE EDUCATIONAL AGENCIES.

General:

Principal Place of Business:

- The Parties agree that the principal place of business for AU shall be changed to 345 California Street, Suite 1200, San Francisco, California 94104, and the Agreements shall be amended appropriately.
- All required filings shall be made to effect this change in principal

place of business prior to the Parties signing the amended and restated Agreements.

Accrediting Body:

- For any Agreement that contains the definition of “Accrediting Body”, such definition shall be changed to mean NCA or any successor entity, and any other institutional accrediting body recognized by the DOE in accordance with applicable Education Law.

Series X Preferred Distribution:

- Section 6.2(a)(iv) of the Operating Agreement shall be amended to extend the period during which the Series X Preferred Return is payable to December 31, 2012.

AU Board of Managers:

- Section 5.2(A) of the Operating Agreement shall be clarified to ensure that Tiffin’s right to appoint one of three Managers of AU remains intact, subject to conditions stated in said Section 5.2(A), and irrespective of the expiration or earlier termination of the Joint Venture Master Agreement.

Assigns:

- For any Agreement that does not permit AS to assign, delegate or transfer its rights, a provision shall be added to allow AS to assign, delegate or transfer its rights to AE or a wholly-owned subsidiary of AE, in AS’ sole discretion, without consent of the other parties to such Agreement.
- For any Agreement that does not permit AE to assign, delegate or transfer its rights, a provision shall be added to allow AE to assign, delegate or transfer its rights to a wholly-owned subsidiary of AE, in AE’s sole discretion, without consent of the other parties to such Agreement.

Program Agreement Matters:

Tiffin Undertakings:

- The amended and restated Program Agreement shall include an additional provision in Article II, Section 2.01, Undertakings of Tiffin University that will allow any and all of the Tiffin Services to be amended, removed, discontinued, clarified, limited by time or service level parameters, or additional services added, from time to time as mutually agreed by Tiffin and AU in a writing set forth in an exhibit to the Program Agreement.
- The amended and restated Program Agreement shall include an additional exhibit regarding the following Tiffin undertakings:
 - Tiffin shall cooperate with AU to transfer all course content of the Programs, courseware and other curricular elements required to deliver the Programs over the Learning Management System, consistent with past practices, to a learning management system identified by AU. Tiffin and AU agree that all tasks necessary to complete the transition to the AU learning management system including but not limited to the transfer of all course content, courseware and other curricular elements of the Programs, shall be completed by no later than January 1, 2012, at which time Tiffin’s provision of the Learning Management System for the benefit of the Programs and pursuant to this Agreement shall be discontinued. Notwithstanding the foregoing, so long as Tiffin is the Accredited Institution, Tiffin shall continue to provide

instruction, curriculum and design services and other related services for AU courses delivered via the learning management system as identified by AU.

- Tiffin shall cooperate with AU to ensure that all intended information systems applicable to the Programs including a student information system, financial aid packaging system and other supporting information systems, as selected and identified by AU, are populated with all historical data, files and other necessary information concerning students, performance and operations of the Programs, as is necessary and appropriate, in AU's discretion, for the proper functioning of information systems so identified. Tiffin and AU agree that all tasks necessary to complete the implementation of systems selected and identified by AU to support the Programs shall be completed by no later than January 1, 2012. All Tiffin information systems supporting the Programs that are intended to continue past January 1, 2012, will be identified by AU in advance of such date, and all other Tiffin information systems will be discontinued. Notwithstanding the foregoing, all Academic Records obtained as a result of the implementation of such information systems shall have no impact on the ownership of such Academic Records by Tiffin so long as Tiffin is the Accredited Institution.
- Upon full implementation of the student information system as identified by AU, and as permitted by any applicable Educational Agency and by Education Law, Tiffin shall discontinue (i) bursar services, including billing, collections, accounting and business services and (ii) registration of students and preparation and maintenance of student records. All Academic Records generated or obtained as a result of the AU performing registration of students and preparation and maintenance of student records, shall not impact ownership of such Academic Records by Tiffin so long as Tiffin is the Accredited Institution.
- Upon full implementation of the financial aid packaging system as identified by AU, and as permitted by any applicable Educational Agency and by Education Law, Tiffin shall discontinue all financial aid services to the extent undertaken by AU as described below and permitted by Educational Law. All financial aid services not undertaken by AU and otherwise required to be administered under Education Law by the institution participating in Title IV programs of student assistance under the Higher Education Act of 1965, as reauthorized and amended ("Title IV Programs"), shall be continued by Tiffin until such time as AU is approved for participation in Title IV Programs.
- Subject to any applicable Educational Agency approvals, Tiffin shall begin issuing all transcripts and diplomas, pursuant to its obligations regarding the award of academic credit, degrees and other credentials to students in the Programs, bearing the name "Ivy Bridge College" for all associate degree transcripts and diplomas and "Mt. Lyon Institute" for all bachelor degree and master degree transcripts and diplomas, in addition to identifying Tiffin as the issuing Accredited Institution.
- Tiffin shall cooperate with AU to ensure that all articulation agreements subscribed to by Ivy Bridge College of Tiffin University

(“IBCTU”) for the transfer of credit to credits earned by students in the associate degree programs offered through IBCTU into degree programs of partner institutions are assigned to AU.

AU Undertakings:

- The amended and restated Program Agreement shall include an additional provision in Article II, Section 2.03, AU Undertakings that will allow any and all of the AU undertakings set forth in the Program Agreement to be amended, removed, clarified, limited by time or service level parameters, or additional services added, from time to time as mutually agreed by Tiffin and AU in a writing set forth in an exhibit to the Program Agreement.
- The amended and restated Program Agreement shall include an additional exhibit regarding the following AU undertakings:
 - AU shall take all commercially reasonable action to properly implement the learning management system, student information system, financial aid packaging system, and other supporting information systems, all as selected and identified by AU.
 - Upon full implementation of such financial aid packaging system, AU shall perform those financial aid services necessary to support the Programs as permitted by any applicable Educational Agency and by Education Law to be administered by an entity that is not approved for participation in Title IV Programs. Upon AU becoming approved for participation in Title IV Programs in accordance with applicable Education Law, AU shall undertake all financial aid services.
 - Upon full implementation of such student information system, and as permitted by any applicable Educational Agency and by Education Law to be administered by the unAccredited Institution AU shall undertake (i) bursar services, including billing, collections, accounting and business services and (ii) registration of students and maintenance of Academic Records generated and obtained as a result. AU shall maintain a parallel records system and provide Tiffin, at Tiffin’s request, with all Academic Records generated or obtained by AU as a result of its performance of the foregoing services during such time as Tiffin is the Accredited Institution. AU shall maintain all such Academic Records in accordance with Education Law and Applicable Law and cooperate with Tiffin to (1) ensure that Tiffin maintains the ability to access and exercise control over the Academic Records as necessary, and (2) create a parallel records system so that Tiffin may take possession of an accurate copy of all Academic Records generated and obtained by AU as a result of the services set forth in this paragraph. AU shall also maintain a parallel records system of all data, files and information generated by any of the information systems identified and implemented by AU herein, that Tiffin identifies as material to its continuing operations, and are not otherwise within the definition of Academic Records.

Joint Undertakings:

- The amended and restated Program Agreement shall include the following additional provisions in Article II, Section 2.04, Joint Undertakings:
 - Tiffin and AU agree that in the event AU provides any services to

-
- the Programs, Tiffin, or its students that qualify as services of a “Third-Party Servicer” (as defined in 34 CFR § 668.2), then Tiffin and AU agree to abide by the provisions set forth in the attached Exhibit A, and AU will obtain assent to said terms by any third-party sub-contractor engaged by AU to provide any such services on behalf of Tiffin and AU. In the event AU provides Third-Party Servicer functions pursuant to the Program Agreement, AU will be deemed to have a “legitimate educational interest” in the Program students’ financial aid records and associated “personally identifiable information” as those terms are defined in 34 CFR 99.
- To the extent not prohibited by any applicable Educational Agency and upon a minimum of sixty (60) days prior notice to Tiffin, AU may provide offers of employment or independent ‘adjunct’ contracts to those faculty members employed or engaged by Tiffin as AU deems necessary or appropriate to support the Programs. Tiffin shall comply with all reasonable requests of AU as are necessary to facilitate this process. Upon AU’s employment or engagement of such faculty, all new hires by AU outside Tiffin’s pool of available and unrestricted faculty shall be approved by Tiffin so long as Tiffin is the Accredited Institution, the approval of which shall not be unreasonably withheld. The faculty hiring qualifications shall be specifically set forth in the Faculty Qualification and Approval Form attached as an exhibit to the Program Agreement, and Tiffin shall indicate approval by signing the form, which shall signify that the information and materials submitted with the form meet the qualifications set forth therein. So long as Tiffin is the Accredited Institution, AU shall comply with all reasonable demands by Tiffin to terminate or remove any member of the faculty of a Program that fails to meet the qualifications set forth in the Faculty Qualification and Approval Form.
 - At such time as AU determines, AU will engage in good faith discussions with the lessor of that certain premises located at 6048 and 6056 Deer Park Court, Toledo, Ohio, for the purpose of reaching commercially reasonable terms on which AU will become the primary lessee of said premises and Tiffin will be removed from all liability and obligations associated therewith. In the event that AU is unsuccessful in reaching said agreement with lessor, Tiffin and AU agree to cooperate in good faith to secure a sublease or other written arrangement satisfactory to AU, concerning the premises referred to herein or other premises identified by the Parties and leased or controlled by Tiffin, transferring peaceful possession, or otherwise permitting all use necessary and appropriate to fulfill the purpose and intent of the Program Agreement.
 - Tiffin and AU agree to cooperate to ensure that the students enrolled in the Programs, as of the day that AU becomes the Accredited Institution, will have the ability to choose which institutional name they would like for their transcript and diploma to bear, upon successful completion of all degree requirements, as set forth in Exhibit B attached hereto. Tiffin and AU agree to use reasonable efforts to seek all pertinent approvals and authorizations from their jurisdictional Educational Agencies to

ensure that students have such choice of diploma name. Tiffin shall remain bound to the obligation to provide such choice of diploma so long as the Programs do not materially change without its prior approval.

- To the extent not prohibited by any applicable Educational Agency and upon a minimum of sixty (60) days prior notice to Tiffin, AU may provide offers of employment or independent contractor agreements to those persons employed or engaged by Tiffin in any function of the Tiffin Services transferred to AU in accordance with the applicable provisions of Exhibits D and E hereto and as AU deems necessary or appropriate to support the Programs. Tiffin shall comply with all reasonable requests of AU as are necessary to facilitate this process.

Insurance:

- Article VI, Section 6.01, pertaining to Insurance shall be deleted in its entirety from the amended and restated Program Agreement.

Indemnity:

- The final sentence of Article VI, Section 6.02, shall be deleted in its entirety and replaced with the following “Without limiting the generality of the foregoing, AU shall indemnify, defend, and hold Tiffin harmless from (1) claims of third parties resulting from a violation of FERPA or other privacy laws applicable to Academic Records maintained by AU at any time, and (2) all costs associated with regenerating and reproducing any total and irretrievable loss of data, files and information generated and/or maintained by AU which Tiffin has identified as material to its continuing operations.

Tiffin University, Altius Services, LLC and Altius Education, Inc. hereby subscribe and acknowledge the provisions of this Memorandum of Understanding.

TIFFIN UNIVERSITY

By: _____

Name: Paul Marion

Title: President

Date:

ALTIUS SERVICES, LLC

By:  _____

Name: Paul Freedman

Title: Manager

Date: JUNE 28, 2011

ALTIUS EDUCATION, INC.

By:  _____

Name: Paul Freedman

Title: Chief Executive Officer

Date: JUNE 28, 2011

Tiffin University, Altius Services, LLC and Altius Education, Inc. hereby subscribe and acknowledge the provisions of this Memorandum of Understanding.

TIFFIN UNIVERSITY

By: Paul Marion

Name: Paul Marion

Title: President

Date: June 27, 2011

ALTIVS SERVICES, LLC

By: _____

Name: Paul Freedman

Title: Manager

Date:

ALTIVS EDUCATION, INC.

By: _____

Name: Paul Freedman

Title: Chief Executive Officer

Date:

EXHIBIT A
EXHIBIT A

THIRD-PARTY SERVICER PROVISIONS

The following provisions are mandated by Title IV of the Higher Education Act of 1964, as amended.

1. *Compliance with Law.* In performing any financial aid services under the Program Agreement and its exhibits, AU agrees to comply with all statutory provisions of, or applicable to, Title IV of the Higher Education Act ("HEA"), all regulatory provisions prescribed thereunder, and all special arrangements, agreements, limitations, suspensions, and terminations entered into under such authority, including any requirement that AU use any funds that AU administers for Tiffin, under any Title IV Program and any interest or other earnings thereon solely for the purposes specified in and in accordance with that Title IV Program, to the extent that any of the foregoing are applicable to the obligations or undertakings of AU under the Agreement and required by applicable Education Law.

2. *Referral of Fraud or Criminal Misconduct.* To the extent required or permitted by applicable law or regulation, AU may refer to the Office of Inspector General ("OIG") of the U.S. Department of Education ("ED") for investigation any information indicating there is reasonable cause to believe that (i) Tiffin might have engaged in fraud or other criminal misconduct in connection with Tiffin's administration of any Title IV Program, or (ii) an applicant for Title IV Program assistance might have engaged in fraud or other criminal misconduct in connection with his or her application.

Tiffin acknowledges and agrees that AU shall be entitled to make referrals of information, and to otherwise communicate and cooperate with the OIG with respect thereto, whenever AU reasonably believes that such information is or may be required to be referred under applicable laws and regulations, without any obligation or duty upon AU to evaluate or determine whether such information in fact indicates that there is reasonable cause to believe that AU or any applicant for Title IV Program assistance engaged in fraud or other criminal misconduct.

In no event shall AU be liable to Tiffin or any of its employees or agents, or any applicant, or any third party, as a result of or in connection with any such referral, whether or not it is ultimately determined that any fraud or criminal misconduct in fact occurred, or that AU had reasonable cause to believe that any fraud or criminal misconduct might have occurred. Furthermore, Tiffin hereby agrees to defend, indemnify, and hold AU, its affiliates, employees and agents harmless from and against any demand, debt, lien, claim, loss, liability, cost, expense, damages, actions, causes of action, judgment or settlement, including without limitation any attorneys' fees and costs, incurred as a result of or in connection with any such referral or other communication or cooperation by AU with the OIG.

3. *Cooperation with Auditors.* Tiffin acknowledges that AU shall have the right to cooperate fully with independent auditors, the Secretary of the ED, the OIG, and the Comptroller General of the United States, or their authorized representatives, any applicable guaranty agency, any applicable accrediting agency, and any applicable State postsecondary review entity, in the conduct of audits, investigations, and program reviews with respect to Tiffin or the Title IV Programs administered by AU for Tiffin, as authorized by law. In no event shall AU be liable to Tiffin as a result of or in connection with any such cooperation.

4. *Joint and Several Liability to Secretary.* Without limiting in any way AU's liability limitations and rights to indemnification otherwise set forth in the Agreement, AU agrees:

(a) To the extent required by Applicable Law or regulation, AU shall be jointly and severally liable with Tiffin to the Secretary of the ED for any violation by AU of any statutory provision of or applicable to Title IV Programs, any regulatory provision prescribed thereunder, and any applicable special arrangement, agreement, or limitation entered into under such authority. The foregoing sentence is entered into for the benefit of the Secretary of the ED only, and the Secretary of the ED shall be the only party entitled to enforce the liability thereby established, and neither Tiffin nor any third party shall have any right to enforce such

provision or to seek contribution or indemnity from AU with respect thereto, which rights of contribution and indemnity are hereby irrevocably waived.

(b) To the extent permitted by Applicable Law and regulation, the Parties hereby agree that Section 4(a) shall only apply to those violations by AU which arise due solely to a negligent or intentional servicing error by AU in violation of the Program Agreement, and AU shall have no liability thereunder for any violation which arises in whole or in part due to or in connection with any acts or omissions of Tiffin or any third party (including, without limitation, any originator or prior servicer of the affected loans), or due to events beyond AU's reasonable control.

(c) Notwithstanding the foregoing, Tiffin agrees and warrants that it will pay directly any liability owed to the Secretary of Education (whether under Section 4(a), by administrative fine, or otherwise) for which AU bears or could bear joint-and-several liability. If the Secretary of the ED demands any such liability from AU or AU otherwise suffers any such liability to the Secretary of the ED for which AU would not otherwise be liable to Tiffin under the Agreement, as amended hereby, Tiffin shall fully indemnify, reimburse and hold AU harmless from and against any such demand or liability, and any expenses incurred in connection therewith or any response or appeal thereof (including any cost of an attestation engagement performed for any such response or appeal, attorneys' fees and costs), and shall promptly reimburse AU for all such liabilities and expenses upon demand.

5. Prior to disbursing any Title IV Program funds to students, AU shall:

(a) Confirm the eligibility of the recipient student before disbursing or delivering any such proceeds. This confirmation must include, but is not limited to, any applicable information contained in the records required under 34 CFR § 668.24; and

(b) Calculate and return any unearned Title IV Program funds to the Title IV Program accounts and the student's lender, as appropriate, in accordance with the provisions of 34 CFR §§ 668.21 and 668.22, and applicable Title IV Program regulations.

AU will not incur any liability or indemnity obligation to Tiffin under the Program Agreement as a result of any inaccurate confirmation prior to disbursement, or failure to return Title IV Program funds, when the inaccurate confirmation or failure to return was due to AU's receipt and reliance upon inaccurate forms, data, student account information, or other information provided by Tiffin, regardless of how and under what circumstances the information was generated. Under no circumstances will AU's reliance on information furnished to it from Tiffin, and reasonably required for AU to properly facilitate its administration of financial aid for Program students, be deemed unreasonable or unjustified.

6. *Audits.* Tiffin agrees to provide AU with written notice and copies of all audit reports or findings (preliminary or final) of any audit, investigation or program review of Tiffin's participation in any Title IV Program with respect to AU's administration of any aspect of such Title IV Program for the Program. Such notice and copies shall be provided to AU as soon as the audit report or findings are available to Tiffin. This Section 6 applies to any audit, investigation or program review conducted by any independent auditors, the Secretary of the ED, the OIG, and the Comptroller General of the United States, or their authorized representatives, any applicable guaranty agency, any applicable accrediting agency, and any applicable State postsecondary review entity. Tiffin further agrees to indemnify, reimburse and hold AU harmless from the cost of cooperating with, responding to or appealing any such audit report or finding (including any cost of an attestation engagement performed for any such response or appeal, attorneys' fees and costs).

7. *AU's Engagement of Subcontractors.* In the event that AU contracts with or otherwise engages one or more subcontractors to provide any of AU's undertakings and obligations constituting services of a Third Party Servicer, then such subcontractor shall sign this exhibit and thereby assent to the terms of this exhibit as part of said contract or

engagement, and shall permit Tiffin to designate such party as a Third Party Servicer in its electronic application for participation and Eligibility Certification Approval Report.

EXHIBIT B
CHOICE OF DIPLOMA

<u>Program</u>	<u>Institutional Name #1</u>		<u>Institutional Name #2</u>
Associate of Arts in General Studies	<i>Ivy Bridge College of Tiffin University</i>	or	<i>Ivy Bridge College of Altius University</i>
Associate of Criminal Justice	<i>Ivy Bridge College of Tiffin University</i>	or	<i>Ivy Bridge College of Altius University</i>
Associate of Business Administration	<i>Ivy Bridge College of Tiffin University</i>	or	<i>Ivy Bridge College of Altius University</i>
Bachelor of Business Administration in Elder Care Management	<i>Mt. Lyon Institute of Tiffin University</i>	or	<i>Mt. Lyon Institute of Altius University</i>
Master of Business Administration in Elder Care Management	<i>Mt. Lyon Institute of Tiffin University</i>	or	<i>Mt. Lyon Institute of Altius University</i>

December 2, 2011

Dr. John Taylor
Vice President for Accreditation Relations
NCA Higher Learning Commission
230 S. LaSalle St., Suite 7-500
Chicago, IL 60604-1413

Dear Dr. Taylor:

Several years ago, Tiffin University (TU) entered into a joint venture with Ivy Bridge, Inc. (now named Altius Education) to create Ivy Bridge College, LLC (now named Altius University, LLC) to market and deliver several of TU's online degree programs. Information about this partnership was provided in a letter dated January 18, 2008 from me to Dr. Steven Crowe, in a letter dated June 15, 2009 from me to you, and in the Self Study Report and other materials that were reviewed in 2010 by the HLC visiting team that recommended continuing accreditation for TU through 2020.

This joint venture was developed in careful consideration of the relevant HLC policies and procedures. TU is fully and exclusively in control of all academic aspects of the degree programs, as well as the financial aid, bursar, registrar, and library functions, and graduates earn Tiffin University degrees. In addition to the academic content delivered by TU, the program also includes a system of student mentoring and academic support, as well as articulation agreements with more than 100 universities throughout the U.S. that allow the graduates of our associate's degree programs to continue their education toward a bachelor's degree. Our partner, Altius Education, has provided the start-up funding for this venture.

The enrollment has grown to more than 3,000 students and the next step is to apply for independent accreditation, with Altius University as the name to be used. Because the headquarters of Altius Education are located in California, the application will be made for accreditation through the Western Association of Schools and Colleges (WASC). Although the initial application to WASC has not yet been submitted, I am writing to you now to inform you of our plan. If you need additional information or have any questions, please feel free to contact me.

Sincerely,

Paul Marion
President



February 27, 2012

Paul Marion, President
Tiffin University
155 Miami Street
Tiffin, OH 44883

Dear President Marion:

I am writing in follow-up to two items. The first item is your December 8, 2011 letter to Dr. John Taylor in which you indicated your intention to re-name some or all of Tiffin University ("Tiffin") as Altius University ("AU") owned by Altius Education ("AE") and ultimately seek accreditation from the Western Association of Schools and Colleges (WASC). The second item is a communication the Commission has received that appears to contain a Memorandum of Understanding executed in June 2011 between Tiffin and AE updating a Joint Venture Master of Agreement. This Memorandum of Understanding appears to address among other items "the transition of services, employees and faculty" presumably from Tiffin to AU.

As you know, Commission policy requires that you seek approval for a Change of Control, Structure, or Organization. Such policy specifically requires that you seek approval for the division of an accredited institution into one or more institutions or entities as well as the sale, transfer, or release of interest in the accredited institution or of a substantial portion of the accredited institution's assets. This requirement also covers, but is not restricted to, joint ventures. I would also note that the policy requires approval of any change from a private, not-for-profit to a for-profit entity. The Commission has no record of you having sought approval either for the joint venture even though it does appear that the last comprehensive evaluation team was aware of a relationship or for what now appears to be a transfer of a substantial portion of the HLC accredited institution, Tiffin, to another entity, AU, in preparation for that entity to seek accreditation with WASC. In addition, to the extent that the relationship with AE seems to be the outsourcing of one or more academic programs to an unaccredited entity, your accreditation status currently does not cover such a relationship. The Commission's substantive change policy, effective July 2010, included the requirement that the Commission review and approve contractual relationships between accredited and unaccredited entities. I am enclosing the Change of Control, Structure, or Organization: Commission Procedure so that you have more information about this process.

Therefore, I will need from you the following information within no more than 14 days from your receipt of this letter:

1. All contracts, letters of agreement, memoranda of understanding or other such documents executed between Tiffin and AE or any predecessor or successor entity, including, but not limited to the Joint Venture Master Agreement, any updates to that Agreement, and the June 2011 Memorandum of Understanding;
2. Current Articles of Incorporation and Bylaws for Tiffin and, if existing, AU;
3. A complete list of all Board members of Tiffin, AE, and AU and disclosures of each Board member's relationship with, or ownership in, the other entities;
4. Any contracts, letter of agreement, memoranda of understanding etc. between Altius Education and any of the senior administrators of Tiffin;
5. Number of students starts at Tiffin and, separately, at AU for the past six terms;
6. A list of all Tiffin assets and students being transferred to AU;
7. IRS 990s filed by Tiffin for the past three tax years;
8. External financial audit of Tiffin for FY09, FY10 and FY11; and
9. A narrative explanation of plans for Tiffin after the departure of AU and of Tiffin's distance education platform run by AU and its ability to continue to be financially viable and handle its long-term debt absent the income from the AU students.

The Commission will review the information you provide and notify you what additional steps the institution will need to take to come into compliance with our Commission policy.

If you have questions about the materials you need to provide, please contact Karen Solinski, Vice President for Legal and Governmental Affairs ext. 111 or ksolinski@hlcommission.org.

Sincerely,



Sylvia Manning
President

Enclosure

cc: Karen L. Solinski, Vice President for Legal and Governmental Affairs, Higher Learning Commission
John Taylor, Vice President for Accreditation Relations, Higher Learning Commission

March 12, 2012

Dr. Sylvia Manning
President
Higher Learning Commission
230 South LaSalle Street, Suite 7-500
Chicago, IL 60604-1411

Dear Dr. Manning:

I am responding to your letter dated February 27, 2012 concerning Tiffin University's Altius University programs.

Background

In 2007, Tiffin University (TU) began planning a project that would extend its historical mission of assisting students from rural and modest socio-economic and academic backgrounds to provide gateways for the achievement of a postsecondary education. We conceived a program that would deliver our previously approved Associate of Arts in General Studies degree to a broader geographical pool of students who were not able to pursue a postsecondary education through traditional means. The degree was to be delivered through online modalities with a highly intensive student support system and with the opportunity for the students to continue their studies at the upper division level through pre-established articulation arrangements.

TU recognized that we needed to gain expertise in reaching and serving this population of learners through online systems. We chose to partner with Ivy Bridge, LLC, (now named Altius Education, Inc.) a company that was founded by a seasoned team that had already innovated in the delivery of services to the postsecondary student population and could bring financial capital to this endeavor. At the time the relationship was formed, it was recognized that this venture could grow well beyond the resources, infrastructure and institutional frame of TU. It was contemplated that this endeavor could become a university unto itself and be more appropriately managed by our partners in the future.

Before finalizing arrangements on this project, I sent a letter (Attachment A) to Dr. Steven Crowe describing the joint venture (Ivy Bridge College, LLC, which has been renamed Altius University, LLC) that TU was developing. That letter was dated January 18, 2008 and advised Dr. Crowe of the project noting that the relationship with Ivy Bridge was developed “in careful consideration of the HLC *Policies Regarding Institutional Dynamics* and the Commission’s *Good Practices in Contractual Arrangements Involving Courses and Programs*”. My letter also stated that “Although the arrangements do not require a filing with the HLC, we wanted to assure that you are aware of this project and our consideration of its relationship to Tiffin University’s accredited status”. We have not heard otherwise from anyone representing the HLC since my letter was sent more than four years ago and, to this date, we have received no response.

On June 15, 2009, I sent a follow-up letter (Attachment B) to Dr. John Taylor about this joint venture, including additional details about TU’s specific responsibilities. We received no response to this letter.

The self-study report that was submitted by TU in 2009 as part of the process for continuing accreditation described the Ivy Bridge operations in detail and the members of the evaluation team reviewed the legal documents and visited the Ivy Bridge offices in Toledo in March of 2010 to meet with TU staff and faculty members who were involved with the delivery of the academic program. The evaluation team’s report included the following comments:

“It is evident that the University is embracing innovation and change with regard to on-line programs and Ivy Bridge entrepreneurship ventures.” (page 15)

“TU effectively utilizes strategic alliances/partnerships to develop and grow academic programs and to expand its local, national, and global presence. These alliances have been particularly effective in the success of the online Associates Degree programs.” (page 15)

“The concept of the Ivy Bridge partnership is an excellent strategic initiative. It addresses an underserved population through a strong curriculum, efficient and effective academic support, excellent instruction, and a very good online portal for program delivery.” (page 28)

“The CEO and center director are effective administrators who are thoroughly involved in advancing the mission of Ivy Bridge and the entire Tiffin University.” (page 28)

“Team discussions with faculty indicated that they are dedicated professionals delivering a quality academic program. The faculty are committed to the concept and spirit of assessment of student learning and making ongoing curricular and pedagogical improvements.” (page 28)

“Students are generally satisfied with the concept, location, quality of faculty, and academic support given to the Toledo center.” (page 28)

“Ivy Bridge College delivers quality education to a relatively underserved population. Its staff support concept is innovative and well received by the students.” (page 29)

“Tiffin’s Ivy Bridge partnership and its European alliances are clear examples of using external relationships to further the mission of the University and stabilize the financial condition”. (page 31)

TU was approved by the Higher Learning Commission for continuing accreditation through 2020 without any concerns or conditions related to our relationship with Ivy Bridge/Altius or any issues with respect to the process that we followed, or any alleged default in process in our relationship with HLC.

TU has always been and continues to be in control of all aspects of the academic programs, academic tutoring and library services, and the financial aid, registrar, and bursar functions. The students have always been and continue to be students of TU. Altius University, LLC (AU), a company of which TU is a co-owner, has been and continues to be simply a service provider and a funding vehicle for the fiscal resources needed to develop and operate the Ivy Bridge/Altius University programs.

Next Step

The success of the Ivy Bridge College project has exceeded our expectations. Not only has it furthered the historical mission of service of Tiffin, but it has demonstrably met a real educational need, having to this date assisted over students along the path of their educational journey. While doing so, we have implemented innovative student services designed to enhance student retention and graduation rates. However, it has also reached the threshold of size and sophistication that will soon take it beyond the capabilities of TU.

Accordingly, in cooperation with Altius Education, Inc., (AE) we have begun the planning process that would eventually lead to Altius University of TU becoming a separately and independently operated and accredited entity. Because the nerve center for AE is in California, it was determined that it would be most logical for the future administrative headquarters of AU to be located in California and for accreditation to be pursued through the Western Association of Schools and College, Accrediting Commission for Senior Colleges and Universities. However, no application for accreditation has been submitted at this time. The **NON-BINDING** Memorandum of Understanding was developed as an informal guide for some of the steps that may be needed. My letter dated December 8, 2011 to Dr. John Taylor (Attachment C) was provided to, once again, keep HLC well-informed in advance of any action and while matters are still in the developmental stage.

One thing is certain, TU will continue to remain strictly in control of the academic and fiscal functions related to its accreditation responsibilities with respect to all of our operations, including AU, until any required approvals of a change of control of AU’s operations and assets have been obtained. At this point, it has not been determined how or when that change will occur, but the planning has begun.

Change of Control, Structure, or Organization

You rightfully inquire as to the impact on TU of any transfer of the operations of AU to AE, should that occur. As noted above, we have contemplated that outcome from the beginning. Since we have built our staffing to meet the incremental load of AU and have contracted to the jointly-owned limited liability company those services that could be contracted out, those services and related expenses that are not assumed by AU, will be retrenched. Since any excess revenues from the AU operations are to be reinvested in that operation, TU has not become reliant on surpluses from those operations.

Most importantly, the transition of the AU operations to another accredited entity will not engage a substantial set of TU assets. In fact, the relationship has returned to TU a rich deposition of intellectual property and technological assets and know-how that will continue with TU without restriction. Further, through TU's ownership in AU, the endowment fund of TU will be enlarged and used to further enhance the mission of TU and support our other academic programs.

The relationship with AE was very carefully formulated so that TU would never be "out-of-pocket" financially; and it hasn't been. While a tremendous level of service to students has been produced, it has been supported solely by investments from AE.

Responses to Specific Requests

The following information is provided in response to the requests on the second page of your letter:

1. The legal documents that you requested are being sent to you by Ms. Rani Croager as email attachments. I would emphasize that the June 2011 Memorandum of Understanding is a NON-BINDING document designed to serve as an informal guide to the steps needed to prepare AU for independent accreditation. TU will implement these provisions only if we deem them to be appropriate.
2. Current Articles of Incorporation and Bylaws for TU are provided as Attachment D, along with the Certificate of Formation for Ivy Bridge College, LLC and the Certificate of Amendment for Altius University, LLC. There are no Articles of Incorporation or By-Laws for AU since it is a limited liability company. These provisions are captured in the Operating Agreement, which is being sent to you as an email attachment by Ms. Rani Croager.
3. The Board members of TU, AE, and AU are listed as Attachment E. None of the TU trustees have any relationship with, or ownership in, the other entities except that Larry Adelsperger and I serve as TU's representatives on the AU Board of Managers (no compensation). No AE or AU Board member has an ownership interest in AU and a majority of the AE Board members do not have direct ownership interest in AE.
4. None of the senior administrators of TU have any contracts, letters of agreement, memoranda of understanding, etc. with AE or AU. I am not sure whether Seyed Amiry is considered a senior administrator of TU since his position involves dual appointment with the joint venture, but he has a small equity position in AE.

5. No TU students or TU assets have been transferred to AU, nor will they be until AU becomes independently accredited. All tuition revenues currently support the AU budget, so there will be no financial impact on TU when the students become AU students after accreditation is achieved. The TU employees who handle the AU academic, registrar, bursar, and tutoring functions will become AU employees once accreditation is achieved. The TU staff members who handle AU financial aid responsibilities will become AU employees once AU receives approval for Title IV federal funding. The salaries and benefits for all of these employees are now paid by TU and then reimbursed to TU from the AU budget, so this transfer of employees will not have any financial impact on TU. No other TU assets will be transferred to AU.
6. The number of student starts (new students) at TU and at AU for the past six terms are provided as Attachment F.
7. IRS 990's filed by TU for the past three tax years are being sent to you by TU's Controller, Mr. Robert Watson, as email attachments.
8. TU's external financial audit reports for FY09, FY10, and FY11 are being sent to you by Mr. Watson as email attachments.
9. After AU becomes independently accredited, TU will discontinue offering the AA in General Studies degree in the online format for at least two years and may then begin offering it again once the two-year non-compete time has elapsed. There is not a non-compete requirement regarding the ABA and ACJ degrees, so we may continue offering those. Of course, we will continue offering our current master's (Master of Business Administration, Master of Science in Criminal Justice, Master of Education, and Master of Humanities) and bachelor's (Bachelor of Arts, Bachelor of Business, Bachelor of Criminal Justice) degree programs in the online format as authorized by HLC.

eCollege is the distance education platform used for TU's online master's and bachelor's degree programs and Moodle is the platform used for our online associate's degree programs. When the associate's degree programs are offered by AU after it becomes accredited, therefore, there will be no impact on the delivery of TU's other online degree programs.

There will be almost no financial impact on TU's operating budget when AU becomes accredited because (1) all of the tuition revenue collected by TU for the online associate's degree students is used to support the AU operating budget, and (2) all expenditures by TU for employee salaries and benefits and other direct costs associated with the joint venture are reimbursed to TU from the AU budget. TU does receive a modest administrative overhead fee for the services provided to the joint venture, but the loss of this modest amount will have a minimal impact and TU will benefit because certain administrators at our main campus in Tiffin will no longer have to spend any of our time on work related to the joint venture.

AE paid for all of the start-up costs and continues to pay for any operating losses. TU did not invest any money in the joint venture, nor does TU have any financial responsibilities at the present time or in the future. TU received equity in the joint venture because we are accredited to offer the online programs and because TU handles all of the responsibilities related to the academic programs, library and tutoring services, and the

registrar, financial aid, and bursar functions (for which we receive reimbursement of all costs).

Since TU has not put any money into the venture and since none of the tuition revenue is available for TU (because tuition is used for the AU operating budget), there will be no financial disadvantage to TU when AU becomes accredited. Overall, TU has realized a very healthy financial surplus in each of the past few years, and it appears that the current fiscal year will end with another significant surplus. As shown in Attachment F, the value of TU's net assets has increased by 205% during the past six years and has doubled in the past two years. This has been achieved without any financial contribution from the joint venture.

Conclusion

TU has kept HLC informed of our joint venture from the beginning more than four years ago and has never received any communication from HLC expressing concern. The report of the HLC evaluation team recommended a ten-year continuation of TU's accreditation and included a number of very positive comments about our joint venture. TU has used the financial resources of our partner to deliver high-quality and affordable academic programs to an underserved group of students throughout the U.S. This has been accomplished without any financial investment or risk by TU, and we expect to realize a substantial financial benefit when our equity in this joint venture is acquired in the future. The future financial gain that TU receives will be used to enhance the financial and educational strength of our institution and its academic programs. Please let me know if additional information would be helpful. Thank you.

Sincerely,

Paul Marion

cc: Dr. Gary Heminger, Chair, Tiffin University Board of Trustees



Higher Learning Commission
A commission of the North Central Association

230 South LaSalle Street, Suite 7-500 | Chicago, IL 60604-1411
312-263-0456 | 800-621-7440 | Fax: 312-263-7462 | ncahlc.org

June 1, 2012

Dr. Paul Marion, President
Tiffin University
155 Miami Street
Tiffin, OH 44883

Dear President Marion:

I am writing in response to your letter providing more details about Tiffin University's ("TU") relationship with Altius Education and Altius University. Thank you for submitting the response and for providing extensive documentation regarding the relationship.

The documentation confirms that the intent of the parties since the original Joint Venture Master Agreement with Altius Education (formerly Ivy Bridge Education) was executed was to create a new, separately accreditable institution, now named Altius University ("AU"). The Memorandum of Understanding provided in the documentation indicates that efforts are presumably already underway to create an autonomous institution in AU. The Memorandum indicates that in January 2012, AU apparently selected its own Learning Management System and Student Information System to be used by AU students to replace the previous systems selected and overseen by TU. Instead of faculty being recruited and hired by TU, the parties are now beginning a new approach in which faculty formerly employed by TU will be hired and employed by AU subject to approval by TU. The Memorandum further indicates that any and all of the services provided by TU may be "amended, removed, or discontinued...", etc. While you state that the Memorandum is non-binding, the Memorandum provides reasonable evidence that TU and AU remain committed to establishing AU as a separate institution in the very near future and are contemplating, if not effecting, those changes in the responsibilities between the parties to make that separation a reality very soon.

As I indicated in my previous letter, the Commission's policy on Change of Control, Structure or Organization specifically requires Commission approval for, among other things, the division of a single accredited institution into one or more institutions or entities and the sale, transfer, or release of interest in an accredited institution or of a substantial portion of an accredited institution's assets. This requirement also covers, but is not restricted to, joint ventures. The purpose of this requirement is to ensure that what remains after the change of structure is, in fact, an accreditable institution. Although you state that the effect of the loss of AU on Tiffin will be minimal, I note that over half of the institution's current enrollment appears to be AU students. At a minimum, the loss of the AU operation is a change in Tiffin University's structure. Only a thorough review by an appropriate Fact-Finding Team can establish whether TU, during and after the separation of AU, will continue to have sufficient resources, planning and viability to meet the Commission's Criteria for Accreditation, Core Components and Assumed Practices. Also, the Fact-Finding Visit will need to determine whether AU is already essentially an autonomous institution even while remaining nominally under the oversight of TU.

Also, as I previously noted, to the extent that the relationship with Altius Education seems to be the outsourcing of one or more academic programs to an unaccredited entity, your accreditation status currently does not cover such a relationship. The Commission's substantive change policy, effective July

2010, included the requirement that the Commission review and approve contractual relationships between accredited and unaccredited entities; the policy included no "grandfathering" provision regarding those relationships previously in place. While it appears you have notified the Commission in the past about this relationship with AE, it is TU's responsibility to ensure that it remains in compliance at all times with Commission policy and that it files an appropriate application to seek formal approval of this relationship.

Because the Memorandum of Understanding suggests that the separation process is already under way, even though it may be some months before AU formally begins the accreditation process with WASC, I have determined that it is important that the Commission initiate the Change of Control review as soon as possible. Therefore I am enclosing the Change of Control, Structure or Organization procedure. You will need to complete the paperwork regarding this process and file it with the Commission no later than August 1, 2012. You should anticipate a full review by the Commission of the application, which I anticipate will likely include a Fact-Finding Visit to both TU and AU's office. This review will also consider the contractual relationship as required by the Commission's substantive change policy at the same time it considers the spin-off.

I want to remind you that as long as TU's accreditation covers the AU operation and its students, TU remains accountable for the quality and outcomes of AU. Therefore, as part of this review, the Fact-Finding Team will consider retention and other questions related to the academic quality of the AU academic operations.

If you have questions about the materials you need to provide, please contact Karen Solinski, Vice President for Legal and Governmental Affairs at 312-263-0456, ext. 111 or ksolinski@hlcommission.org.

As you may know, Dr. John Taylor is retiring from the Commission later this summer after many years of dedicated service to the Commission. Effective immediately, your new liaison, as you enter into this Change of Control process, will be Ms. Kate-Louise Gottfried, Vice President for Accreditation Relations and Associate Vice President for Legal and Governmental Affairs. She will be working with Ms. Solinski on this review and will gradually be taking on all the liaison functions from Dr. Taylor.

Sincerely,

Sylvia Manning

Sylvia Manning
President

Enclosure

cc: John A. Taylor, Vice President for Accreditation Relations, Higher Learning Commission
Karen L. Solinski, Vice President for Legal and Governmental Affairs, Higher Learning Commission
Kate-Louise Gottfried, Vice President for Accreditation Relations and Associate Vice President for Legal and Governmental Affairs, Higher Learning Commission

CONFIDENTIAL
MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding ("MOU") is entered into as of June 21, 2012, by and between Tiffin University ("Tiffin") and Altius Education, Inc. ("AE").

Whereas, Altius Education, Inc. ("AE"), which was originally named Ivy Bridge, LLC, and Tiffin University ("Tiffin") entered into a joint venture in December of 2007 to create Altius University, LLC ("AU"), which was originally named Ivy Bridge College, LLC, for Tiffin to deliver certain degree programs in the online format, and

Whereas, all of the students have been and continue to be Tiffin students who are eligible to earn Tiffin degrees, and

Whereas, Tiffin has been and continues to be fully and exclusively in control of all academic aspects of the degree programs, as well as the financial aid, registrar, bursar, and library functions, and

Whereas, all instructors and other personnel who are responsible for the academic, financial aid, registrar, bursar, and library functions are Tiffin employees who are hired and directly supervised by Tiffin, and

Whereas, Tiffin harvests student data on all Tiffin students who are enrolled in the Tiffin degree programs delivered through AU in the CampusVue student information system so that Tiffin can maintain these student records, and

Whereas, AE provided the initial and ongoing funding for the joint venture, which allowed Tiffin to employ instructors, academic administrators, instructional designers, and financial aid, registrar, and bursar staff needed to assure that the academic programs are high quality and that the other functions are administered effectively, and

Whereas, Tiffin has not and will not make any financial contribution to the joint venture, and

Whereas, Tiffin has been and continues to be fully and exclusively responsible for the quality and outcomes of the academic programs, and

Whereas, AE manages the student recruitment process and certain other administrative functions that are not required to be handled by an accredited institution, and

Whereas, no services or responsibilities that are required to be performed by an accredited institution have been outsourced by Tiffin to AE or any other unaccredited entity, and

Whereas, the Tiffin Board of Trustees has determined that any funds that Tiffin may receive when the AU annual operating budget begins to produce a surplus will be placed in Tiffin's endowment or used for one-time expenditures that do not impact Tiffin's operating budget, so that Tiffin's operating budget will not be dependent on revenues received from Tiffin's share of AU operating surpluses, and

Whereas, Tiffin and AE have determined that the goal is for AU to be independently accredited through the Western Association of Schools and Colleges (WASC) because the headquarters of AE is located in California, and

Whereas, Tiffin has kept the Higher Learning Commission (HLC) informed of the details of the joint venture and of the plan to seek independent accreditation through WASC, and

Whereas, Tiffin and AE understand and support the requirement that all aspects of the academic, registrar, library, and bursar functions must remain solely and completely under Tiffin's control until AU becomes independently accredited and that Tiffin must continue to manage the financial aid function until AU is approved for Title IV federal financial aid funds, and

Whereas, a non-binding Memorandum of Understanding (MOU) was prepared in June of 2011 as an informal guideline for some of the steps that were being considered at that time to begin the process for independent accreditation for AU.

Therefore, Be It Resolved That:

1. The non-binding MOU that was prepared in June of 2011 is hereby rescinded and, therefore, is null and void.
2. That Tiffin will continue to keep HLC informed and seek approval, as required, for any steps that may be taken in the process to seek independent accreditation for AU through WASC.
3. That, until AU becomes independently accredited, Tiffin will remain fully in control of all academic and fiscal matters related to the operation of the joint venture programs and operations to the fullest extent required under the regulations of HLC, including without limitation the following:
 - (a) all of the students will continue to be Tiffin students who are eligible to earn Tiffin degrees;
 - (b) Tiffin will continue to be fully and exclusively in control of all aspects of the academic programs, including but not limited to, hiring and supervising all instructors, academic administrators, tutors, instructional designers, and other academic personnel and will continue to be responsible for the quality and outcomes of the academic programs associated with the joint venture;
 - (c) Tiffin will continue to be fully and exclusively in control of the personnel and all aspects of the bursar, registrar, and library functions associated with the joint venture; and

(d) all information available in the CampusVue student information system for Tiffin students who are enrolled through AU will continue to be harvested by Tiffin so that Tiffin can maintain proper control of all student records.

4. That until AU becomes eligible for Title IV federal financial aid funds, Tiffin will continue to manage the financial aid process for Tiffin students who are enrolled in programs delivered through the joint venture.

Tiffin University and Altius Education, Inc. hereby subscribe and acknowledge the provisions of this Memorandum of Understanding.

TIFFIN UNIVERSITY

By: _____

Name: Paul Marion

Title: President

Date:

ALTIVS EDUCATION, INC.

By: _____

Name: Paul Freedman

Title: Chief Executive Officer

Date:



ANALYSIS OF NON-FINANCIAL REPORT IN CONJUNCTION WITH CHANGE OF CONTROL REVIEW
DATE: May 8, 2013

PARTICIPANTS: Barbara Gayle, David Wantz, Karen Solinski, Robert Appleson

INSTITUTION: Tiffin University, Tiffin, OH

EXECUTIVE OFFICER: Dr. Paul Marion

PREVIOUS COMMISSION ACTION RE: REPORT (If applicable): NA

ITEMS ADDRESSED IN REPORT: The Commission received the institution's report on the above topic on July 25, 2012 related to the following indicators (designated by "X"):

X1. Increase or decrease in enrollment (+/- 25% or more) from prior reporting year

☐ 2. Increase or decrease in degrees awarded (+/- 40% or more) from prior reporting year

☐ 3. Increase or decrease in full-time faculty (+/- 25% or more) from prior reporting year

☐ 4. 3-yr. student loan default rate (25% or more) in the period reported

☐ 5. Ratio of full-time faculty to degree programs (less than 1) in the period reported

☐ 6. Ratio of undergraduate FTE students to undergraduate FTE faculty (greater than 35) in the period reported

X 7. Ratio of undergraduate FTE students to undergraduate degrees awarded (highest 3% of 4-year institutions)

TEAM ANALYSIS: In its report of July 25, 2012, Tiffin University attributed its 38% headcount enrollment growth from fall 2010 (4940) to fall 2011 (6816) primarily to new online enrollment at the associate level delivered through Ivy Bridge College (IBC) of Tiffin University. Tiffin describes IBC as a joint venture operated with a non-accredited organization, Altius Education, based in California. IBC is housed in a facility located in greater Toledo about an hour from Tiffin's main campus in Tiffin, OH. The formal corporate name of IBC is now Altius University.

The 38% increase in Tiffin's headcount is what triggered Indicator 1 above. As for Indicator 7 above, Tiffin stated that "many of the students have started their programs within the past 12-24 months and many are enrolled part-time." Tiffin explained that as a consequence of this recent enrollment, "many of the students are not expected to graduate for another year or two." In other words, the numerator of undergraduate FTE in Indicator 7 would be increasing without a corresponding increase in the denominator of degrees awarded. This would cause the ratio to be higher than otherwise, thus causing the indicator to trigger.

While the statements in the Tiffin response seemed correct, the Commission determined that more inquiry was warranted because the explanation provided no specific evidence of a reasonable level of retention. Thus, the Commission directed that the Change of Control Visit on March 11-12, 2013, look into this matter further. In a conference at the beginning of the visit, the team inquired of seven Tiffin Board members

(two in-person, and five by telephone) whether there had been any Board discussion of goals for improving retention or default rates, and the team learned there had not been—though the Board members said they hoped these rates would improve. Shortly after that conference, when two team members asked the Vice President for Academic Affairs for the most recent retention rate at IBC, he gave a rough range and said he would get the most recent data according to the team's specifications. These data were provided a bit later in the visit (Attachment A). While the VPAA is generally aware of the low rate of retention, he indicated that, regarding IBC, he focuses more as the chief academic officer on insuring that faculty members are properly qualified and that Tiffin's academic policies are being followed.

Attachment A shows the number of fall 2011 enrollees who were still enrolled for fall 2012. Because there are two seven-week terms at IBC within the fall semester, the data included enrollees in either term during the fall semester. The team specified this feature of the data so as not to understate IBC's student success in light of the "stop out" phenomenon cited by Tiffin. Specifically, this feature counts as retained those students who stop out for a term but who return the following term. Of the 3111 degree-seeking students enrolled in fall 2011, 930 (30%) persisted to fall 2012. Of the 3111, 1443 were newly enrolled in fall 2011, and 360 (25%) of these new newly enrolled students persisted to fall 2012. Although 2-year institutions typically record substantially lower rates of retention than do 4-year institutions, the retention rates at IBC are notably poor even for 2-year institutions. In contrast, the retention rate for the same period for degree-seeking bachelor's business students at Tiffin was 64%, which is typical of non-selective 4-year institutions.

Two team members raised the matter of the IBC retention rates with a group of about a dozen faculty members on the main Tiffin campus, of which two reported having had direct experience with IBC courses. Though not sure of the actual IBC retention rates, the faculty indicated that retention had been worse earlier and had raised concerns. However, the faculty said they were satisfied by the current levels. In response to questions from the team members, the faculty said they have not set specific goals for improvement of the rates. Several stated that, as long as the rates are improving, that condition should be acceptable. Repeated attempts to get the faculty to say what an appropriate retention rate would be were not successful, and one faculty member argued that trying to set such an objective could lead to grade inflation. Another stated that a low retention rate should be expected and tolerated because everyone deserves a chance. The team members also tried to get the main campus faculty members to discuss their interaction with faculty at IBC, in part to understand the level of main campus involvement in student success at IBC. The chief response was that faculty members at IBC attend faculty meetings on the Tiffin campus and must submit curricular changes and matters of tenure and promotion for review and approval. There was little sign of any systematic attention by main campus faculty to student success at IBC.

On the second day of the visit, the team interviewed personnel at the IBC facility. These interviews made clear that faculty members at IBC are involved almost solely with instruction, with responsibility for other key student success factors charged to others at IBC. In particular, Ivy Bridge provides coaches and tutors for its students, though tutors are not as available for courses beyond entry-level. The team found a concerted effort to schedule these individuals to maintain coverage throughout the day and to maintain a reasonable response time. The team also learned about a College Readiness Assessment that is being used in conjunction with placement, but it was not clear how effective this assessment has proven. A teleconference with roughly 20 current IBC students showed satisfaction with IBC, especially regarding the role of the coaches. The team did not talk with students who had not persisted. The team saw no projections of retention rates improving into the future according to the team's fall-to-fall format or according to some other format.

Even with the concerted effort of coaches and tutors, the retention rates are very low, for which the Vice President for Student Engagement (an Altius University employee) noted the difficulty of retaining a typical mature student trying to balance the demands of family and work. When asked about low retention at IBC, the Vice President for Enrollment Operations (also an Altius University employee) attributed part of the problem to fraud perpetrated on IBC by people posing as students in order to claim federal financial aid. With no intentions

of completing courses, these people would contribute to a low retention rate. She reported further that since identifying the origins of such fraud (through recurrent area codes), IBC has been able to reduce this problem. Still, even with material reduction of such fraud, IBC retention remains low. The Vice President for Enrollment Operations also said the requirement that applicants now submit high school transcripts should be expected to improve retention rates in the future by making it more inconvenient to game IBC admissions. When asked about other planned measures that might be taken to improve retention, she offered none.

Interviews with roughly a dozen full-time faculty members at IBC indicated that they carefully follow the curriculum of Tiffin in their online instruction. (These faculty members receive their salary payments from Tiffin, but the money comes from Altius to Tiffin earmarked for the salary payments.) A team member found that the content of the several online courses she visited was very thin, which may play a role in the low IBC retention rates, especially given the challenge of accelerated learning coupled with non-selective admissions. (This content was not compared with that for seated semester-long courses on the Tiffin campus, where the retention rates are higher.) The faculty members at IBC mirrored the response of the main campus faculty in terms of their mutual interactions. One Ivy Bridge faculty member said he might consult a main campus faculty member if he had a question about test content.

Toward the end of the visit, the team interviewed the CEO of Altius Education, who, along with the president of Tiffin University and others, sits on the Altius University Board of Managers. The Altius Education CEO was asked for a goal of retention of new students and finally provided a figure of 35% for fall-to-fall retention, which the team regards as markedly insufficient. He also reinforced the idea that an operation like IBC has the potential to do a better job than community colleges (which have many other functions) in providing instruction for the Associate of Arts that can be transferred towards a four-year degree. Yet he was unable to explain why more Tiffin degree programs (including programs at the baccalaureate and Masters level) are now being transferred to IBC in apparent conflict with the idea of IBC focusing on the Associate of Arts. This conflict is even more troubling because of the poor performance at IBC in student success and because the original review of IBC by the Commission in 2010 assumed the then-stated AA focus, which was authorized by the Ohio Board of Regents. It should be noted that the Commission's approval of online delivery at that time does not set aside the expectation that Tiffin demonstrate an adequate level of student success.

In summary, the team finds that the IBC operation, which accounts for more than 40% of Tiffin's enrollment, does not meet Core Component 4.C of the Criteria for Accreditation:

The institution demonstrates a commitment to educational improvement through ongoing attention to retention, persistence, and completion rates in its degree and certificate programs.

In particular, the team observed no substantial monitoring of or responsibility for retention at IBC by the Vice President for Academic Affairs, the faculty on the main campus, or the faculty at IBC. Those personnel at IBC who do seem to monitor retention seem inclined to justify the low retention rate on grounds that eliminate any institutional accountability. In addition, no substantial steps are being taken that would be expected to raise the retention rate to an acceptable level. Finally, the Altius Education CEO sets only an inadequate objective for retention of new students at IBC for the future, while even more Tiffin programs on the main campus are being moved to IBC.

The finding that Core Component 4.C is not met carries no recommendation as part of the present analysis, though a finding that a Core Component is not met could be expected to result in a recommendation for at least a sanction. Rather, the present analysis will be referenced in the Staff Summary Report of the Change of Control visit, which will take up a number of other issues. The present analysis is being provided with Staff Summary Report as a separate attached document in line with the Commission's policies and procedures on Non-Financial Indicators.

When the institution receives the draft visit report, it will be asked to identify any errors of fact at the time, and it will be invited to submit a broader response to the report.



**STAFF SUMMARY REPORT TO THE BOARD OF TRUSTEES FOR
CHANGE OF CONTROL, STRUCTURE, OR ORGANIZATION
FOR TIFFIN UNIVERSITY**

May 22, 2013

Explanation

Involved Parties

Party One: Tiffin University, Tiffin, OH

Tiffin University (“Tiffin”) is a private, not-for profit Master’s degree-granting institution. Tiffin offers Associate’s degrees in such areas as Accounting, Business, General Studies, Law Enforcement, Healthcare and related fields; Bachelor of Arts degrees in such areas as Behavioral Sciences, Chemistry, English, History, and related fields; and the Bachelor’s of Business Administration in such areas as Accounting, Computer and Information Systems, Finance, Healthcare Management, and Sports and Recreation Management. It also offers a Master of Business Administration, Master of Education, Master of Humanities, and Master of Science in Criminal Justice. Tiffin’s reported enrollment in the 2013 Annual Update was: 2,766 full and 3,062 part-time undergraduate students; and 158 full and 1,034 part-time graduate students. Tiffin has a main campus in Tiffin and additional locations across Ohio; it also has additional locations in Romania and Taiwan. It has approval to offer up to 100% of its programs through distance learning.

It has been accredited since 1985. Its last reaffirmation in PEAQ was in 2009-10, and it is currently scheduled to be reaffirmed in 2019-20.

Party Two: Altius Education, San Francisco, CO

Altius Education (“AE”), formerly Ivy Bridge Education is a Delaware limited liability corporation that describes itself on its website as “combin(ing) the best aspects of a university and a technology company to improve the experience and outcomes of 21st century students. The company’s mission is to develop innovations in virtual learning systems, student services, and educational pathways in order to provide students with an effective and personalized university education.” It was founded by Paul Freedman in 2007 and is funded by Spark Capital, Maveron and Charles River Ventures. In addition to the joint venture of primary interest in this review, Altius Education has also developed a virtual learning platform that Altius Education notes in its website is able to help institutions move quickly into the on-line or virtual learning environment and into competency-based education.

Party Three: Altius University, Toledo, OH

Altius University, also known as Ivy Bridge College of Tiffin University, (“AU/Ivy Bridge”) is a joint venture registered in Delaware and a Delaware Limited Liability corporation formed by Tiffin and Altius Education. It functions as entirely on-line institution that offers Associate, Bachelor’s and Master’s degrees. This entity is the primary focus of this review.

Members of the Staff Conducting the Review

Dr. Robert Appleson, Vice President for Accreditation Relations (HLC Staff)

Ms. Karen Solinski, Vice President for Legal and Governmental Affairs (HLC Staff)

Scope of the Commission’s Review and Summary of Findings Related to the Criteria for Accreditation

In this review the Commission considered for approval under the Commission’s Change of Control, Structure or Organization the inclusion of the joint venture, AU/Ivy Bridge College, in the accreditation of Tiffin and the related formation by Tiffin of the Limited Liability Corporation. In addition, the Commission considered whether the joint venture could be approved to be included in the accreditation of the institution based on the Commission’s policy on Components of an Accredited Institution. Finally, the Commission also considered alternatively whether the arrangement with AU/Ivy Bridge or AE could be approved as a contractual relationship under the Commission’s Institutional Change policy. It is important to note that the current operation of AU/Ivy Bridge as a joint venture reflects the results of a completed transaction; therefore this analysis will be able to consider results from the past four years of the joint venture’s operations in assessing whether the Commission’s requirements are met.

Commission Policy 3.3(c)2 lists the five factors that must be considered by the Board in determining whether to approve a Change of Control, Structure or Organization transaction, and the balance of this report addresses these factors. The report indicates that the joint venture does not meet several of these factors for reasons outlined in the report.

The third of these factors reads as follows: “substantial likelihood that the institution, including the revised governance and management structure of the institution, will continue to meet the Commission’s Eligibility Requirements and Criteria for Accreditation.” Within this third approval factor, and specifically within the Criteria for Accreditation, this report finds that the Change of Control, Structure or Organization does not meet Commission expectations for seven Core Components. The analysis of all approval factors proceeds in the next section of this report, but this section will highlight those areas where the Commission staff finds Core Components are not met. This report finds that, if the joint venture were to be included in the accredited institution, the Criteria would not met be in the areas of:

- integrity in operation (Core Component 2.A);
- board autonomy and decision-making in the best interest of the institution (Core Component 2.C);
- appropriateness of degree programs for higher education (Core Component 3.A);

- intellectual development and integration of learning and skills (Core Component 3.B);
- responsibility for quality of programs (Core Component 4.A);
- student success (Core Component 4.C);
- governance and administrative structures (Core Component 5.B); and
- systematic efforts for improvement (5.D).

While there are concerns about some other Core Components, only for the eight listed above do the findings clearly indicate that the Core Components are not met. Issues outside the Core Components are discussed later in this report.

Integrity of Operation (Core Component 2.A).

Tiffin has described its relationship to the Commission in different ways that provide conflicting information about the nature and purpose of the relationship with AU/Ivy Bridge and AE. In addition, its claim to control the academic programs offered by AU/Ivy Bridge is in conflict with the reality that these programs are controlled by AU/Ivy Bridge and AE. The licensing of these programs to AU/Ivy Bridge has proceeded well beyond the single online program declared in 2010 without Tiffin seeking necessary approvals from the Commission and from the Ohio Board of Regents. In addition, through this arrangement, Tiffin has improperly shared students' private information with AU/Ivy Bridge and AE because neither entity is a properly designated third-party servicer or listed as such on Tiffin's Electronic Application (E-App) to the U.S. Department of Education.

Tiffin has allowed another entity, AU/Ivy Bridge, to make use of Tiffin's accreditation and several of its academic programs in return for financial benefits including:

- payments for the programs;
- annual service fees (currently exceeding \$450,000);
- 50% of future proceeds from the expected profitability of AU/Ivy Bridge (with the other 50% going to AE); and
- 20% of profits from the sale of AU/Ivy Bridge after it becomes accredited.

The major part of this quid pro quo is noted in Tiffin's audit materials for 2010/2011, and was confirmed by members of the Tiffin Board.

Beyond the financing of the relationship, Tiffin does not provide and has not provided adequate oversight over AU/Ivy Bridge to justify representing the programs at AU/Ivy Bridge as Tiffin programs.

Board Autonomy (Core Component 2.C).

Tiffin's Board of Trustees generally exhibits autonomy in matters not involving AU/Ivy Bridge. However, the Tiffin Board has ceded authority to the AU/Ivy Bridge Board of Managers so as to compromise the autonomy of the Tiffin Board in important respects. Although Tiffin is represented on the Board of Managers, AE has a dominant position in relation to the Tiffin representation by dint of share ownership and in relation to composition of the Board of Managers.

The compromising of Tiffin Board autonomy is illustrated in its decision to license some Bachelor's and Master's level programs to AU/Ivy Bridge (and give up Tiffin's own ability to offer the programs for some years) for the purpose of allowing AU/Ivy Bridge to approach Western Association for Schools and Colleges, Accrediting Commission for Senior Colleges and Universities ("WASC Senior") for accreditation of AU/Ivy Bridge. In this case, the Tiffin Board placed the interests of AU/Ivy Bridge before those of Tiffin. In addition, the Tiffin Board has little or no governance impact on finances at AU/Ivy Bridge, though AU/Ivy Bridge serves about two fifths of the students that Tiffin counts in its enrollment and for which it draws down Title IV funds under its OPEID.

Appropriateness of Degree Programs for Higher Education (Core Component 3.A).

The initiation of AU/Ivy Bridge has not had a significant effect on the appropriateness of degree programs elsewhere in Tiffin. The Commission's previous review of the courses at the main campus was positive. However, the Fact-Finding Team's review of eleven courses at AU/Ivy Bridge found them lacking in content.

AU/Ivy Bridge functions more or less autonomously of the main campus in academic matters outside formal curricular change and faculty hiring and promotion. There is a lack of faculty oversight of degree programs at AU-Ivy Bridge and given the poor quality of at least some of the courses, these programs are not appropriate to higher education.

Intellectual Development and Integration of Learning and Skills (Core Component 3.B).

As in the above Core Component above, the Fact-Finding Team found no problem outside AU/Ivy Bridge. Some of the courses reviewed at AU/Ivy Bridge were general education courses, which shared the character of lack of content and lack of rigor expected in a collegiate course. The highly compressed nature of the online class schedule and the low level of preparation brought by many AU/Ivy Bridge students raise further concerns about the application of intellectual inquiry or integration of broad learning skills taking place in AU/Ivy Bridge courses.

Responsibility for the Quality of Programs (4.A).

Tiffin is not demonstrating responsibility for the quality of the academic programs offered by AU/Ivy Bridge.

Student Success (Core Component 4.C).

As indicated in the attached NFI analysis, the extremely poor retention rate for new students (25% Fall to Fall) at AU/Ivy Bridge, and the lack of meaningful effort on the part of Tiffin or AU/Ivy Bridge to improve this rate, demonstrates to the Fact-Finding Team that Tiffin does not currently meet this Core Component. In contrast to the 25% rate at AU/Ivy Bridge, the retention rate of newly seated students on the Tiffin main campus is relatively typical of non-selective 4-year institutions at a bit over 60%.

In the face of this situation, the Tiffin Board has not had discussions about student success at AU/Ivy Bridge, and the main campus faculty was reluctant to set any goal for improvement in the AU/Ivy Bridge retention rate. The last-minute projection of improvement by the AE CEO to 35% was markedly insufficient in the eyes of the Team. Tiffin lacks strategies for setting thresholds for student success at AU/Ivy Bridge or the mechanisms to achieve those strategies.

Governance and Administrative Structures (Core Component 5.B).

As with its findings regarding Board autonomy, the Commission staff finds that Tiffin's governance and administrative structures are adequate for those matters not involving AU/Ivy Bridge. However, with regard to AU/Ivy Bridge, as previously noted, the Tiffin Board has ceded much of its authority to the AU/Ivy Bridge Board of Managers and thus lacks a mechanism to exercise governance effectively over AU/Ivy Bridge. Despite the Tiffin Board's subcommittee charged to keep the Tiffin Board appropriately informed about AU/Ivy Bridge activities and despite Tiffin's representation on the AU/Ivy Bridge Board of Managers, vital matters have been missed. When the Fact-Finding Team asked the Tiffin Board about AU/Ivy Bridge's low graduation and retention rates, the Team found the Board not informed about the issue (though it was not entirely clear what the Board could do about it).

This state of affairs recurs with Tiffin administrators, who have no authority over functional areas at AU/Ivy Bridge and who were not reasonably informed about AU/Ivy Bridge, even though AU/Ivy Bridge claims to be following the same policies. When the Fact-Finding Team asked key administrators at Tiffin about certain problems that might arise in the equivalent functional area at AU/Ivy Bridge, many of them believed that they had no oversight of that area on the AU/Ivy Bridge side or were unsure. This view is clearly reinforced by the organizational chart in which AU/Ivy Bridge personnel ultimately report to the Campus Executive Officer not to any functional department or senior administrator at Tiffin. And the Campus Executive Officer while ostensibly reporting to the Tiffin president, is listed on the AE website as one of its employees. Tiffin's oversight of AU/Ivy Bridge is nominal at best and does not demonstrate the effective leadership required by this Core Component. In addition, Commission approval of programs licensed under a contractual arrangement requires proper oversight by the accredited institution, and the Fact-Finding Team did not find that this requirement to be fulfilled in this respect either.

Systematic Efforts for Improvement (Core Component 5.D).

As reflected in the discussion of Student Success, there has been inadequate effort to improve the retention rate at AU/Ivy Bridge. There were not even goals established. Likewise other aspects of the AU/Ivy Bridge operation (such as the lack of content in courses) appear either to have been ignored or written out of the responsibilities of Tiffin. The joint venture, as currently structured, cannot allow Tiffin to meet the Core Component associated with Systematic Efforts for Improvement.

The Transaction

Overview

In November 2007 AE, whose corporate name at that time was Ivy Bridge Education, and Tiffin formed a Delaware Limited Liability Corporation (“LLC”) known as Ivy Bridge College. The purpose of the corporation was stated in the Operating Agreement to be the offering of two-year on-line Associate’s degree programs. The LLC has a Board of Managers, rather than a Board of Directors or Board of Trustees, as is typical for LLCs. In the original arrangements, two of the managers were to be appointed by Ivy Bridge; one was to be appointed by Tiffin. AE was to receive 80% of the total units of the corporation of the LLC; Tiffin was to receive 20%. Later the name of the entity was formally changed to AU, but Tiffin continues to refer to it as Ivy Bridge College of Tiffin University. AU/Ivy Bridge College has not been reviewed for accreditation or accredited by any accrediting agency recognized by the U.S. Department of Education.

The following month, December 2007, Tiffin, AE and Ivy Bridge Education established and registered a joint venture under the laws of the State of Delaware. AE provided \$500,000 in cash at the closing and received Series A Preferred Units in Ivy Bridge College; AE also agreed to provide \$1.5 million as a line against which Ivy Bridge College could draw if needed for start-up and other expenses. Tiffin invested no cash monies in the joint venture either at the outset of its existence or at any later date. Tiffin provided its consent to use the Tiffin name in connection with Ivy Bridge College. In addition to owning 20% of the LLC, Tiffin was to receive an annual service fee linked to the enrollment in Ivy Bridge College and 50% of the operating surplus once Ivy Bridge College became profitable. In the pro forma included in the Joint Venture Agreement the parties estimated an enrollment growth in Ivy Bridge College from 200 to 900 students and growth in revenues from \$2 million to \$9 million between 2008-09 and 2013-14. Ivy Bridge College was to offer the Associate in General Studies using educational programs and courses initially provided by Tiffin. In conjunction with these agreements the parties also executed a licensing agreement and a program agreement whereby Ivy Bridge College could use the intellectual property of Tiffin, in particular its Associate of General Studies degree.

Under the Commission’s Change of Control, Structure or Organization policy (Policy 3.3), the sale or transfer by an accredited institution of institutional assets to create a joint venture requires the Commission’s approval. In addition, for an institution to add a new component, including a joint venture, to its accreditation requires the Commission’s approval under its policy on Characteristics of a Component That May Be Included in the Institution’s Affiliation (Policy 3.4). The purpose of this evaluation is to review the transfer of institutional assets to create the joint venture and to determine whether the accreditation of Tiffin can be extended to include the joint venture and the associated limited liability corporation. This review examined to a lesser degree the plan of the parties to spin-off AU/Ivy Bridge as a separately accredited entity. However, even setting aside the Change of Control, Structure or Organization and the addition of a new component in Tiffin’s accreditation, a licensing agreement to a non-accredited entity for the offering of 25% or more of a program requires Commission approval; such licensing took place here both with regard to AU/Ivy Bridge, a separate corporation never formally approved by the Commission to be included in Tiffin’s accreditation, and AE. Therefore this evaluation must also consider the consequence of such outsourcing.

The Commission also included its follow-up review of Non-Financial Indicators (“NFI”) of Tiffin in this Change of Control, Structure or Organization review. The NFI analysis is appended separately, but parts of the present document refer to it.

This review for Change of Control, Structure or Organization and related issues does not consider for approval the Oakland branch campus requested by Tiffin.

History Leading to the Transaction

The Joint Venture Master Agreement noted a number of factors that led to the joint venture. It noted, for example, that the parties determined that the business venture would combine the “authorizations and expertise” of Tiffin with the “capital resources and expertise” of AE for the purpose of offering an online Associate of Arts in General Studies. It further noted AE’s claim to have created a program, including “methodologies and courses for assisting students entering postsecondary education from high school to better prepare for success in college.” Finally, it indicates that the joint venture, AU/Ivy Bridge College, expected ultimately to become a separately accredited institution.

The President of Tiffin reported to the Fact-Finding Team that the concept of the joint venture was developed between Paul Freedman, the founder of AE, and a senior administrator at Tiffin. He noted that the primary attraction of the joint venture for Tiffin was its capacity to provide improved access to new populations of students for Tiffin, which aligns with Tiffin’s historical mission of assisting students. It should also be noted, however, that at the time of the creation of the joint venture the University had significant financial issues. The Commission’s evaluation team in 2010 noted that Tiffin had a history of long-term debt, declining enrollment, and an endowment that was very low for an institution of Tiffin’s size. The pro forma associated with the Joint Venture Master Agreement outlined projections of increased enrollment and additional revenues resulting from the arrangement. Since these students would be Tiffin’s students, Tiffin would be able to demonstrate increased enrollments fairly quickly. The President also acknowledged that he had hoped that Tiffin would gain in the short-term some portion of the operating revenues and in the long-term significant revenues from Tiffin’s 20% equity in AU/Ivy Bridge in the event that it becomes separately accredited and is then sold or has an Initial Public Offering. The Fact-Finding Team also asked Mr. Freedman, the President and founder of AE, about his intent in forming the joint venture. While he noted his interest in improving student access and retention, it was not clear what his motivation had been in going to the extent of forming a corporate entity that would ultimately seek its own accreditation as a for-profit college rather than, for example, providing services or technical assistance under a contract. Both Mr. Freedman and the Tiffin President have stated that the day to day functions of AU/Ivy Bridge were set up to preserve Tiffin’s control over the academic content, faculty, support services, etc. at AU/Ivy Bridge and that AE’s role was largely to provide expertise and capital.

At various times during the course of the relationship the parties executed revised versions of the underlying agreements. These revisions provided, among other things, for the parties to provide for additional educational programs to be offered through the joint venture including an Associate’s degree in Criminal Justice and in Business Administration, a Bachelor of Arts in Professional Studies and, a Master’s in Education with a concentration in Classroom

Teaching. The Fact-Finding Team asked about the decision to have AU/Ivy Bridge College offer upper-level degree programs despite its stated purpose of focusing on Associate's level education to create improved access and support for students who were interested in transitioning from an Associate's to a Bachelor's program. The President of Tiffin noted that the primary driver for this decision was to ensure that AU had appropriate degree programs to apply for accreditation with the Western Association of Colleges and Schools, Senior Commission. At one point, the President also characterized this licensing of programs to AU/Ivy Bridge as outsourcing.

AE has continued to contribute financially to the growth of AU/Ivy Bridge subsequent to the initiation of the joint venture. AE has contributed more than \$10 million to the development of AU/Ivy Bridge. Tiffin has contributed no monies. It has received some revenues from the joint venture. It has received an increasing service fee that totaled \$460,000 for the last fiscal year. There have been no operating surpluses as yet because AU/Ivy Bridge has not yet become profitable; therefore, Tiffin has not yet received any revenue from this source. Tiffin has, however, licensed the Bachelor and Master of Business Administration in Elder Care Management as well as a Master of Education with a concentration in teaching to AU/Ivy Bridge. However, in contrast to most licensing agreements that may provide some initial upfront cash for the party licensing its property but that focus largely on the payment of royalties over time, Tiffin received a considerable upfront payment of approximately \$1,000,000 in cash, additional common units in AU/Ivy Bridge and a modification to the agreements to allow it to receive earn-out consideration when the number of successfully earned credit hours exceeded 4,000.

Tiffin has reported that shortly after the formation of the LLC and joint venture it notified the Commission office about the new entity. At the time of the reporting, the Commission had no policy that would have related to the establishment of a joint venture. In 2009-10, when Tiffin hosted its most recent comprehensive evaluation, the Commission had very recently adopted its Change of Control, Structure or Organization policy, which was further refined in June of 2010. That policy required the Commission's approval for the sale or transfer of an institution's assets, release of an interest in an institution, or other transactions. In addition, the Commission's policy on Components of an Accredited Institution adopted at the same time made clear that Commission approval is required to extend accreditation to a new corporate structure that an accredited college may form to provide academic programs or support services to students. Although the comprehensive evaluation team was aware of the joint venture and made generally favorable statements about it, the evaluation team largely considered it as an expansion of distance education. Commission records provide no evidence that Tiffin formally reported the legal arrangement and sought approval for it under these policies.

In addition to requirements for Change of Control in Commission policy, there are requirements for review and approval of outsourcing 25% or more of an academic program to a non-accredited entity. These requirements were established in June 2010 (after Tiffin's most recent comprehensive visit) and revised in November 2011. The requirements mirror federal regulations designed to control outsourcing that could divert Title IV federal financial aid to entities that have not been accredited by a U.S. Department of Education-recognized body. These regulations do not permit an accrediting agency to grandfather any institution that may have had a relationship in place prior to the inception of the policy. The Commission received no request

from Tiffin to review the licensing of any of its programs to AU/Ivy Bridge. Other than the original AU/Ivy Bridge Associate of Arts program, each of the programs in question was licensed to AU/Ivy Bridge after 2010.

In December of 2011, the Commission received a letter from the Tiffin President reporting the intent of AU/Ivy Bridge to seek accreditation from WASC Senior., and reporting a current student body at AU of more than 3,000 students. The Commission also received a whistleblower complaint that reported that the parties had executed a Memorandum of Understanding in which AU would begin to conduct certain activities under its own authority and without oversight by Tiffin in preparation for seeking accreditation with WASC Senior. The Commission contacted the institution's President for more information and requested and received the legal documents including the Joint Venture Master Agreement, Memorandum of Understanding, a subsequent revision of that document, and other related documents. In response President Manning made clear that Tiffin would have to initiate a Change of Control, Structure, or Organization review as soon as possible.

State/Federal Review of the Proposed Transaction

Tiffin asserted that no state or federal approval of this arrangement was required. However, there are questions about whether the institution has properly reported this arrangement to state or federal government.

At the state level, when the Ohio Board of Regents ("OBR") learned of the Change of Control visit according to normal sharing of information with such agencies, its Office of Academic Affairs indicated that the institution was to have alerted OBR of its intent. Furthermore, according to the Office of Academic Affairs, the growth in academic programs licensed to AU/Ivy Bridge probably required OBR approval.

As a matter of federal concern, AU/Ivy Bridge employees and AE employees confirmed to the Fact-Finding Team that they did have access to confidential student information in order to do their jobs properly. When the Fact-Finding Team asked on what legal basis confidential student information could be available to these employees, they replied that they were third-party servicers, as defined in federal regulations, and therefore such access to confidential student information was appropriate. In fact, the Electronic Application prepared by Tiffin for the U.S. Department of Education does not report AU or AE as a third-party service provider. If either entity is a third-party service provider, it has not been reported by Tiffin as such. In addition, the U.S. Department of Education has been in communication with Tiffin about its 2010 financial audit. That audit noted substantial irregularities in the administration of Title IV financial aid and has identified proposed penalties. Tiffin is in the process of an appeal.

Commission Review of the Transaction

The Commission reviewed the Change of Control documentation and determined that a Fact-Finding Visit was necessary to gain better understanding of the joint venture and the arrangements between the parties to the joint venture. Further analysis of these materials, along with the information gathered during the fact-finding visit, against the Commission's Approval

Factors follows.

Analysis of the Approval Factors

1. Extension of the mission, educational programs, student body, and faculty that were in place when the Commission last conducted an on-site evaluation of the affiliated institution:

• **Mission:** The mission of Tiffin is as follows: *offer quality, professionally-focused learning-centered undergraduate and graduate degree programs and life-long learning opportunities to prepare traditional college-age students and adult students for successful careers and for productive and satisfying lives; work with employers and specific professions to anticipate, design and deliver effective academic programs....*

Both Tiffin and AE have emphasized that the stated mission of the institution did not change with the initiation of the joint venture, AU/Ivy Bridge, nor has it changed subsequently. However, the effective mission of the institution has shifted with the inception of this relationship. A key focus of the institution and its activities is now on the relationship with AU/Ivy Bridge as demonstrated in the organizational chart, which has a substantial position on that chart occupied by the joint venture, and on a large, new population of open-access students in the Associate's program, as described further in subsequent sections.

• **Educational Programs.** The programs offered by AU/Ivy Bridge are programs that have been historically offered by Tiffin but have been transferred through a licensing agreement to AU/Ivy Bridge. The Fact-Finding Team asked institutional representatives about how an academic program moves from Tiffin's inventory to being delivered through AU/Ivy Bridge. Once all parties agree to the legal terms related to the new disposition of the program, the program is then listed in the inventory of AU/Ivy Bridge. At first the program may remain largely unchanged. However, AE begins to make various modifications to the courses. These modifications seem to be of a technical nature to improve the interface for on-line students, but they also reflect the expertise and methodologies identified in the Joint Venture Master Agreement that AE brought to the relationship, particularly the expertise and methodologies claimed by AE to assist two-year students in completing and transitioning to a four-year institution. Institutional representatives explained that the exercises and other aspects of courses change even while the overarching goals may remain the same. Therefore the educational programs provided by Tiffin are not consistent in experience with the educational programs provided by AU/Ivy Bridge even though they are all formally identified as Tiffin programs.

• **Student Body:** The following enrollment information was reported by Tiffin on May 8, 2012 and updated in the most recent Tiffin submission to the Commission prior to the Fact-Finding Visit:

	Fall 07	Fall 08	Fall 09	Fall 10	Fall 11	Fall 12
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Total Headcount	2,349	2,705	3,422	4,940	6,816	6,920
Undergrad.	1,634	1,809	1,944	2,202	2,435	2,887
Graduate	715	864	1,053	1,125	1,167	1,192
Ivy Bridge	0	32	425	1,613	3,214	2,841

While Tiffin undergraduate and graduate programs have experienced respectable growth during the past five years, the enrollment increase of AU/Ivy Bridge has been marked, and the population of students in the AU/Ivy Bridge programs is different. During the Fact-Finding Visit the team asked about the composition of the AU/Ivy Bridge student population. While no formal demographic data were provided, several groups of institutional representatives mentioned that there were many first generation, particularly female, younger students, sometimes with small children, who were enrolled in AU/Ivy Bridge and who needed the flexibility AU/Ivy Bridge provides. In the Fact-Finding Visit Team's conference call with AU/Ivy Bridge students, however, a preponderance of these students, while undoubtedly a small subset of the overall study body, seemed to be older students who related issues they had experienced at other colleges prior to attending AU/Ivy Bridge. While the student population of AU/Ivy Bridge no doubt includes representation from several demographic groups of students, these students are open-access students that one might find in an open-access institution that serves a broad range of communities. This population of students is different from the traditional age students on the main campus or the working adults at Tiffin's additional locations in Ohio.

In addition, it was unclear how the AU/Ivy Bridge students were integrated into the overall student body of Tiffin. They seemed to be treated both for actual and reporting purposes as a distinct student population outside of the regular student populations, even identifying themselves in the Fact-Finding Team's call as Ivy Bridge students rather than Tiffin students.

•**Faculty:** The following faculty information was reported in the October 2012 filing:

	Tiffin	AU/Ivy Bridge
Full-Time Faculty	70	11
Adjunct Faculty	18	--
Part-Time Adjunct Instructors	100-125	125-175

Despite the growing student population at AU/Ivy Bridge, noted on the preceding page, and the fact that AU/Ivy Bridge had almost as many students as the graduate and undergraduate enrollment combined of Tiffin, AU/Ivy Bridge had only 11 full-time faculty members at the time this information was submitted by Tiffin in the fall of 2012. The information demonstrates different hiring patterns at AU/Ivy Bridge than at Tiffin in the hiring of faculty members from a model with a body of full-time faculty to one with fewer faculty members for an enterprise that is growing quickly in volume. In addition, AU/Ivy Bridge relies more heavily on adjuncts than Tiffin does for its regular enrollment students, as demonstrated in this data.

The evidence available to the Fact-Finding Team indicates the effective mission, educational programs, student body and faculty at Tiffin have changed significantly with the initiation of AU/Ivy Bridge into Tiffin.

2. The ongoing continuation and maintenance of the institution historically affiliated with the Commission with regard to its mission, objectives, outreach, scope, structure and related factors:

The institution has experienced recent expansion in all these areas as a result of initiating the joint venture. The scope and outreach of Tiffin have increased as a result of the initiation of the joint venture. While Tiffin notes that it has historically served rural and other first generation college students in western Ohio and neighboring states, the AU/Ivy Bridge students are from across the U.S. They vary in age and in experience with higher education. Tiffin representatives report that many of the AU/Ivy Bridge students are at-risk students who have had challenges with higher education at other institutions, and the student conference call with the Fact-Finding Team confirms that description of students at AU/Ivy Bridge. AU/Ivy Bridge advertises nationally, which has also expanded the outreach of Tiffin as AU/Ivy Bridge brings in a group of students who respond to national advertising. This broad population of open-access students from across the U.S. now comprises roughly 41% of the total student body of Tiffin.

As noted above, the organizational structure of Tiffin has expanded to include the AU/Ivy Bridge operation and in many areas has been structured so as to facilitate interaction with AU/Ivy Bridge personnel, or at least interaction between limited individuals at Tiffin and AU/Ivy Bridge, as noted below. However, while the organizational structure of the institution has shifted to include the joint venture, Tiffin's central administration does not exercise responsibility for AU/Ivy Bridge in the same way as it does for its other units, as outlined in subsequent sections of this report.

The evidence available to the Fact-Finding Team indicates that the joint venture has brought about sudden expansion at the institution accredited by the Commission in all the ways noted in this factor, and the accredited institution is not providing appropriate oversight over, or other controlling, this expansion.

3. Substantial likelihood that the institution, including the revised governance and management structure of the institution, will continue to meet the Commission's Eligibility Requirements and Criteria for Accreditation:

The institution submitted documentation that speaks to the *Eligibility Requirements* and the *Criteria for Accreditation* and supporting *Core Components*. Tiffin's next reaffirmation of accreditation is scheduled for 2019-2020. Tiffin currently participates in the Commission's Standard Pathway. However, in accordance with Commission policy, Tiffin will be ineligible for either the Open or AQIP Pathways if the requested Change of Control is approved, thus placing Tiffin in the Standard Pathway for a period of no fewer than ten years.

[NOTE: The following evidence is outlined in relation to Tiffin, including AU/Ivy Bridge as a component of the institution. The Commission did not directly consider at this stage what the effect on Tiffin would be of AU/Ivy Bridge seeking separate

accreditation from WASC Senior.]

Assessment of Compliance with Eligibility Requirements after the Transaction

1. Hold an appropriate legal status to operate as an organization offering higher learning in one of the states or sovereign nations with the North Central region, and have the legal authority to award higher education degrees and any educational offerings wherever and however delivered.

Tiffin appears to be in good standing in the State of Ohio to operate programs of higher education, and it is eligible to participate in the student financial assistance programs authorized by Title IV of the Higher Education Act of 1965. As noted above, however, Tiffin has not kept the Ohio Board of Regents or the U.S. Department of Education appropriately notified about the role of the joint venture and the role of AE, the partner in the joint venture. However, there is no evidence to indicate that its standing with regard to these bodies has changed or will change as a result of the joint venture.

2. Publish and make available to students and the broader public a statement of mission approved by its governing Board defining clearly the nature and purpose of the higher learning provided by the organization and the students for whom it is intended.

The mission statement of Tiffin has been made widely known to institutional stakeholders through its website. AU/Ivy Bridge College has a separate web page that describes its operations. The mission of Tiffin is not expressly stated anywhere on that website although students can find the Tiffin mission statement if they go to Tiffin's website.

3. Have students enrolled in its degree programs before achieving candidacy or have graduated student from its degree programs before achieving accreditation.

Students are enrolled in degree programs at Tiffin and at AU/Ivy Bridge College.

4. Document governance and administrative structures that legally enable the organization to protect its educational and institutional integrity.

Governance

The Bylaws of Tiffin provide for a Board of Trustees of not less than five and not more than 24 Trustees. Currently the Board has twenty Board members including the President who is ex officio; it also has six Board members who are emeritus and are non-voting. Each Board member serves a three-year term and may serve more than one term. The Board is self-perpetuating. It has the authority to make financial decisions for Tiffin including approving budgets, reviewing the financial audit, and taking on indebtedness; it also has the authority to hire, terminate and review the President of Tiffin. The Board's structures and practices appear to be unchanged as a result of the joint venture. However, the Board has a new subcommittee called the "AU Committee of the TU Board of Trustees." This subcommittee facilitates the Board's knowledge of the AU/Ivy Bridge operation.

AU/Ivy Bridge is not directly governed by the Tiffin Board of Trustees. Instead it has a Board of Managers that is chosen by the Members of the LLC, AE and Tiffin. The Board of Managers currently has three representatives of AE and two representatives of Tiffin, including the President and the chair of the Board's AU Committee. The Board of Managers is entrusted according to the Operating Agreement with the power and discretion to manage and control the business, property and affairs of AU/Ivy Bridge. The Managers may allow for payments to themselves or other distributions, elect officers and perform other jobs as outlined in the Operating Agreement.

Administration

Tiffin has an administrative structure that includes a President and four Vice Presidents with areas of responsibility in Human Resources and Campus Services; Finance and Administration; Development and Public Affairs; and Academic Affairs. Admission and Financial Aid is headed by a Dean. These administrators reside in Tiffin, Ohio. Each Vice President has a number of offices that report to that individual. In Academic Affairs, for example, the Deans of the various schools of arts and sciences, business, music, etc. report to the Vice President. In addition, within the Tiffin administrative structure and reporting to Tiffin is a Campus Executive Officer who oversees AU/Ivy Bridge. On the organizational chart, the Campus Executive Officer reports directly to the President of Tiffin and has only an indirect reporting relationship to the Vice President of Academic Affairs and none to any other Vice President.

AU/Ivy Bridge is not administered through the existing administrative structure of Tiffin. AU/Ivy Bridge has its own administrators and employees. A Vice President of Enrollment Operations reports to the CEO of Altius Education. Reporting to the Vice President are Directors of Enrollment Management, Student Success Services, Human Resources and Channel Operations. Although the Campus Executive Officer of Toledo is employed by Tiffin, that individual has a large number of administrators who report to her, and they include both Tiffin and AU employees. These individuals include an Academic Dean, Associate Dean of Curriculum Learning Systems, Vice President of Student Engagement, Director of Compliance, etc. Some of these positions, for example, are not replicated anywhere within the Tiffin structure; in the rare cases where they are replicated, there is no stated reason why there are two separate positions. In addition, the Campus Executive Officer has faculty members and division chairs who report to her through the Academic Dean; neither the Academic Dean for AU/Ivy Bridge nor the faculty report to the Vice President for Academic Affairs for Tiffin.

The AE website lists as AE team members not only the officers of AE but also the Vice Presidents of Enrollment Operations and of Student Engagement who ostensibly work for AU/Ivy Bridge. It also lists the Campus Executive Officer as an individual who has joined the AE team even though Tiffin reported the Campus Executive Officer as a Tiffin employee who works for Tiffin.

The evidence indicates that Tiffin, with the inclusion of AU/Ivy Bridge, does not meet this Eligibility Requirement.

5. Document it has core values and strategic priorities that assure that its graduates will be capable of contributing to the communities in which they live and work.

Tiffin has identified in its written materials core values and strategic priorities. These materials outline Tiffin's interest in assuring its community that Tiffin students are prepared to embark on a career after college and to continue contributing to their communities. The AU/Ivy Bridge College website notes a similar focus on student success.

6. Demonstrate that it has engaged qualified academic personnel essential to assure effective curriculum, instruction, and academic programs.

Tiffin indicated that it has 70 full-time, 18 adjunct and 100 to 125 part-time adjunct instructors who teach one to two courses per semester. Tiffin faculty members hold Master's or Doctoral credentials in the discipline in which they teach and seem appropriately qualified for their roles. AU/Ivy Bridge has 11 full-time faculty members and 125-175 adjunct instructors. Tiffin's documentation reports that AU/Ivy Bridge requires that faculty members have a credential at least one level higher than the College offers. These faculty members generally seem to be engaged in the typical faculty tasks of instructing students and updating curriculum and academic programs when appropriate.

7. Demonstrate ownership of or responsibility for assuring access to the learning resources and support services necessary to facilitate the learning experience expected of enrolled students.

Tiffin offers access to its students to appropriate learning resources and student services. Tiffin students have access to library resources including sophisticated on-line databases to support the learning process and to a registrar, student financial services, advising and tutoring. AU/Ivy Bridge students have access to some of these services such as the on-line databases associated with the library. However, in other respects AU/Ivy Bridge students have access to very different resources. For example, AU/Ivy Bridge students do not use the Tiffin advisors but have their own support team that includes advisors, success coaches, tutors for certain students, and a different group of financial aid counselors.

8. Provide documentation of existing and future financial capacity.

Tiffin has had a history of financial challenges that the most recent comprehensive evaluation team outlined. Tiffin continues to have approximately \$28 million in long-term debt. However, Tiffin has demonstrated some progress since the comprehensive evaluation visit in other aspects of its financial situation. Its net tuition revenue has been steadily rising from \$23 million in 2009-10 to \$30 million in 2011-12 to \$36 million projected for 2016-17. In addition, it has also benefited from improved gift-giving, going from \$817,190 in 2009-10 to \$1.5 million projected for 2012-13. With the improved economy, the value of the endowment has also increased from \$4.9 million in 2009-10 to \$7 million in 2011-12. Tiffin notes that its growing prosperity is generally attributable to increasing revenues at a greater rate than expenditures and without reliance on the joint venture; while Tiffin has received some payments from the joint venture, these payments have been modest in size. Tiffin appears to have an improving financial situation that indicates it has sufficient financial capacity to sustain its operations.

The financial statements of the joint venture, AU/Ivy Bridge, show operating losses of \$10 million in 2011 and \$5 million in 2010. The financial statements note that AU/Ivy Bridge has funded its operating losses through additional sales of preferred and common units to the joint venture partners. Tiffin's October 2012 submission notes that AE has contributed more than \$10 million to AU/Ivy Bridge whereas Tiffin has contributed no monies. As Tiffin's 2011 financial statements note, Tiffin extends its accreditation, financial aid and academic resources to AU in return for a monthly service fee. The financial statements note, however, that the "ability of AU/Ivy Bridge to carry out its business plan is dependent on its ability to i) obtain sufficient capital and ii) generate sufficient revenues and cash flows through future sales of its services and through the successful persistence of students." Tiffin representatives indicated to the Fact-Finding team their expectation that AU/Ivy Bridge may break even this year, but the long-term financial capacity of this new operation remains unproven.

9. Provide students with electronic or print documents that outline educational requirements appropriate in terms of length, content, and required learning outcomes.

Tiffin's programs are outlined in its Academic Bulletin, which students can download from Tiffin's website. Tiffin has graduate and undergraduate programs that generally conform to expectations under Commission policy for total number of credit hours. Its programs are composed of courses that are generally two to four credit hours. These courses and programs appear to have appropriate required learning outcomes as stated in Tiffin documents. The Academic Bulletin does not provide any details about the programs at AU/Ivy Bridge, referring students instead to that website. The AU/Ivy Bridge website outlines the programs and courses offered by AU/Ivy Bridge. Like the courses in the Tiffin catalog, these courses are generally three credit hours in length. The course descriptions describe material generally covered in college courses. The courses AU/Ivy Bridge offers are listed in Tiffin's Academic Bulletin, in some cases under different names or course numbers or with a slightly different course description. In addition, the AU/Ivy Bridge website provides limited or no information about intended learning outcomes rather than merely career or transfer outcomes of the programs. While such learning outcomes exist and were provided to the Commission, it is not clear how students receive this information. The significance of this and related information under the Eligibility Requirements is to note the ongoing discrepancies between how Tiffin is operated and how AU/Ivy Bridge is operated.

10. Document that it presents itself to the public and prospective and enrolled students fairly and accurately with up-to-date information published electronically or in print about credit transfer, cost and refunds, financial aid, and the accreditation status of the organization and its programs.

Both Tiffin and AU/Ivy Bridge have up-to-date websites that include information about student life. Both websites appear to include some financial information or a mechanism for prospective students to get such financial information quickly. Both websites have accreditation information. However, the AU/Ivy Bridge website included information about program accreditation, when it did not appear to be the case from the specific information supplied that these program accreditations had been extended to the specific programs offered by AU/Ivy Bridge. Tiffin's Academic Bulletin outlines its policies on transfer and refunds. There appeared to be no

information on the AU/Ivy Bridge website that addressed the topics of transfer credits accepted from incoming students and refunds, nor was it clear that the information in the Academic Bulletin applied to AU/Ivy Bridge.

11. Document that it provides its students, administrators, faculty and staff with the policies and procedures informing them of their rights and responsibilities within the organization.

Tiffin has appropriate information on its website to comply with requirements about policies for students. AU/Ivy Bridge's website lacks basic student policy information, and it is not clear on that website where such basic information is available. There is a link from the AU/Ivy Bridge website to Tiffin, but that link takes a student to a page on the AU/Ivy Bridge website and not directly to Tiffin. On the Tiffin website it is not really clear what policies and procedures, student services, etc. apply to AU/Ivy Bridge. Some portions of Tiffin's Academic Bulletin may apply to AU/Ivy Bridge students, but it was not clear in that document which policies applied and which did not, and there is no direct link between the Tiffin Academic Bulletin and the AU/Ivy Bridge website.

12. Present evidence of ongoing planning that includes a realistic action plan for achieving accreditation with the Commission within the period time set by Commission policy.

Tiffin is currently accredited by the Higher Learning Commission. Therefore this requirement is not applicable.

The evidence available to the Fact-Finding Team indicates that the institution with the inclusion of the joint venture continues to meet the Eligibility Requirements with the exception of Eligibility Requirement #4. The joint venture is not governed by the existing governance and administrative structures of Tiffin. (See also Criterion Two and Five.) In addition, the analysis frequently notes differences in how Tiffin and AU/Ivy Bridge are managed with regard to student information, student support services and other important aspects of institutional operations identified in these Requirements. These differences are relevant in determining whether AU/Ivy Bridge is sufficiently under the control of Tiffin and a part of Tiffin such that its accreditation should be extended to the joint venture.

Assessment of Compliance with the Criteria for Accreditation after the Transaction

Criterion One. Mission

The institution's mission is clear and articulated publicly; it guides the institution's operations.

Core Components

- 1.A. The institution's mission is broadly understood within the institution and guides its operations
- 1.B. The mission is articulated publicly.

- 1.C. The institution understands the relationship between its mission and the diversity of society.
- 1.D. The institution's mission demonstrates commitment to the public good.

Tiffin's mission is articulated through its website and in its documents. As noted above and summarized here, that mission is to provide appropriate quality degree programs and to prepare students from a wide variety of backgrounds for careers and productive lives in a diverse society. The mission and vision statements outline a broad commitment to the public good through the preparation of individuals to meet their responsibilities as individuals and workers. The statements also acknowledge Tiffin's responsibilities as an institution to prepare individuals through higher education to provide leadership and service in their lives after college. The Fact-Finding Team spoke with various constituencies across the institution, and there was clear understanding of that mission and vision demonstrated by all parties at Tiffin itself.

Whether Tiffin's mission is reflected in its association with AU/Ivy Bridge is not as clear. As noted under Eligibility Requirement #2, the AU/Ivy Bridge website has no information about the Tiffin mission. Dean Kim Brooks is quoted on that website discussing the mission of Ivy Bridge College, not the mission of Tiffin, as if the mission of Ivy Bridge College were separate and distinct. The implicit references to mission on her web page at the Ivy Bridge College site note the importance of access, opportunity and support. While these values are somewhat similar to the values espoused in the Tiffin mission and vision statements, the emphasis in those statements is not on access in the same way that it is articulated in her statements or on the AU/Ivy Bridge website. Tiffin denied to the Fact-Finding Team that the mission of AU/Ivy Bridge, as explained on its website, was in any way different from that of Tiffin. This difference is significant in assessing whether Tiffin is grappling with effective changes in mission resulting from its association with AU/Ivy Bridge but also significant in assessing Tiffin's claim that it appropriately controls AU/Ivy Bridge and that AU/Ivy Bridge functions as an integrated component of the institution.

Finally, the joint venture seems now to be a major focus of Tiffin's operations. It occupies a large portion of the organizational chart of Tiffin. The number of Associate's and other students in AU/Ivy Bridge are as many as the number of students in Tiffin's regular undergraduate program. Interviews with Tiffin personnel noted a major focus in day-to-day operations on interaction with personnel at AU/Ivy Bridge. The initiation of this venture and its ongoing operation seems to demonstrate an extension or a shift in the effective mission of Tiffin as it now embraces an entity, AU/Ivy Bridge, that is focused on providing access, opportunity and support to a broad population of students across the country. Despite this new major focus in its life as an institution, Tiffin has yet to acknowledge any implications for its mission.

While it appears likely that Tiffin can continue to meet Criterion One, including all Core Components, this joint venture represents an expansion of the mission with which Tiffin has not fully grappled and which it continues to deny is taking place. Therefore this Criterion is met but with concerns.

Criterion Two. Integrity: Ethical and Responsible Conduct

The institution acts with integrity; its conduct is ethical and responsible.

Core Components

- 2.A. The institution operates with integrity in its financial, academic, personnel, and auxiliary functions; it establishes and follows fair and ethical policies and processes for its governing board.

With regard to its regular affairs on the main campus, Tiffin is behaving with the integrity anticipated by this Core Component. With regard to the AU/Ivy Bridge operation, Tiffin has generally been forthcoming with the Commission about the existence of the relationship. However, Tiffin has not been either candid or consistent in describing the details of this relationship. Tiffin has variously described in its documents its relationship with AE as a joint venture (Substantive Change Application: Branch Campus and Additional Locations); a partnership (Marion Letter March 9, 2012); or a service provider (Required Documents for Change of Control and Fact-Finding Visit interviews). It also described AU/Ivy Bridge as a funding vehicle (Marion Letter March 9, 2012). These various means of describing the relationship do not provide a clear, candid explanation to the Commission of the nature of the relationship or the goals of the parties and do not demonstrate the integrity expected by this Core Component.

Also, Tiffin has made other claims that indicate a lack of integrity. It continues to claim that it has academic control over programs that it licensed to AU/Ivy Bridge in exchange for considerable compensation. Having effectively sold these programs, Tiffin's claim that it continues to control these programs is at variance with the reality that Tiffin exercises little if any control over these programs, as discussed subsequently in greater detail, and with terms in the Program Agreement that indicate that the licensee may without limitation modify, transfer, or improve these programs. (See First Amendment to Intellectual Property License and Assignment.) Finally, the claim made by several Tiffin and AE employees that AE was a third-party servicer for Title IV federal financial aid and therefore could reasonably have access to private student information was not documented by its Electronic Application to the U.S. Department of Education in which AE was not listed as such. In lacking a consistent approach to communicating with the Commission about the joint venture and in putting forward claims that are at variance with business facts, the Fact-Finding Team concluded that Tiffin was not behaving with the integrity expected of an accredited institution.

In addition, while it appeared that Tiffin brought the joint venture to the attention of the Commission President and the comprehensive evaluation team in previous years, it did not properly apply for a Change of Control, Structure or Organization, or formally inquire about the need for such approval, once it became aware, or should have been aware, that the Change of Control, Structure or Organization policy was approved and operational.

Finally, it appears that Tiffin has allowed another entity, AU/Ivy Bridge, to make use of Tiffin's accreditation and several of its academic programs in return for which Tiffin has derived some current and future financial benefits. These benefits include: payment for the programs; annual services fees to Tiffin (currently exceeding \$450,000 a year); 50% of future proceeds from the joint venture once it achieves profitability; and 20% of the revenue from the sale of

AU/Ivy Bridge if it is sold or has an initial public offering. This quid pro quo is noted in the notes to the 2010 financial audit and was confirmed to the Fact-Finding Team by members of the Tiffin Board.

Tiffin has not demonstrated the integrity required by this Core Component. Therefore this Core Component is not met.

2.B. The institution presents itself clearly and completely to its students and to the public with regard to its programs, requirements, faculty and staff, costs to students, control, and accreditation relationships.

Tiffin has appropriate policies that govern the organization and its interactions with students. These policies are detailed in its Bylaws, handbooks, bulletin and on its website. There is no evidence that Tiffin has engaged in any wrongdoing identified by state, federal or other agencies.

As previously noted with regard to the Eligibility Requirement #11, it is not clear to what extent these policies apply to AU/Ivy Bridge governance and operations. Clearly, because AU/Ivy Bridge is governed by a Board of Managers, the Bylaws and related policies do not apply to AU/Ivy Bridge. In addition, the AU/Ivy Bridge website is unclear about what policies do apply, particularly with regard to students, and there is no established link to specific areas of the Tiffin website where such information may be found. This Core Component is met but with concerns.

2.C. The governing board of the institution is sufficiently autonomous to make decisions in the best interest of the institution and to assure its integrity.

As noted with regard to Eligibility Requirement #4, Tiffin has a self-perpetuating Board of twenty Trustees that operates under its own Bylaws. In general the Board appears to function autonomously. It appeared to have made the decision to approve Tiffin's participation in the joint venture free of undue influence. The Board appointed a subcommittee, "AU Committee of the TU Board of Trustees." However, it is not clear to what extent the Board is able to exercise meaningful oversight over the activities being done under the Tiffin name at AU/Ivy Bridge.

Under the terms of the Operating Agreement a Board of Managers governs AU/Ivy Bridge. The Board of Managers has three representatives of AE and two representatives of Tiffin, including the President and the chair of the Board's AU/Ivy Bridge Committee. The three representatives of AE consist of AE's President and founder and two individuals who also work for AE and report to the President. The Board of Managers is entrusted according to the Operating Agreement with broad powers and discretion to manage and control the business, property and affairs of AU/Ivy Bridge.

At several times during the Fact-Finding Visit, when the Fact-Finding Team asked about how certain high-level decisions were made at AU/Ivy Bridge, individuals in the meetings noted that such decisions were made by the Board of Managers. The Operating Agreement notes that in "all matters in which a vote, approval or consent of the Members is required, a vote, consent, or approval of the Members holding more than 50% of the Common Unit Percentage Interest shall be sufficient to authorize or approve such act." (Section 4.8, Voting Rights.) Since AE holds

80% of the Common Units, AE effectively makes all decisions for this Board of Managers, and, since two of the AE representatives on the Board report to the third individual, the President of AE, that individual effectively makes all decisions for the Board of Managers, even while ostensibly consulting with the two Tiffin representatives also on the Board. However, when the Fact-Finding Team met with the Board of Managers, that Board downplayed its role in decision-making. What is clear is that the joint venture, AU/Ivy Bridge, does not appear to be under the control of the Tiffin Board of Trustees, which is the entity the Commission holds accountable for the integrity of the institution's operations.

The compromising of Tiffin Board autonomy is illustrated in its decision to license some Bachelor's and Master's level programs to AU/Ivy Bridge (and give up Tiffin's own ability to offer the programs for some years) for the purpose of allowing AU/Ivy Bridge to approach WASC Senior for accreditation of AU/Ivy Bridge. In this case, the Tiffin Board placed the interests of AU/Ivy Bridge before those of Tiffin. In addition, the Tiffin Board has little or no governance impact on finances at AU/Ivy Bridge, though AU/Ivy Bridge serves about two fifths of the students that Tiffin counts in its enrollment and for which it draws down Title IV funds under its OPEID.

In addition, the Tiffin faculty does not exercise appropriate oversight over the academic programs of AU/Ivy Bridge, other than in formal curricular change. As previously noted, those programs were licensed to AU/Ivy Bridge with a very broad grant of authority. The President confirmed that the faculty was not consulted about the licensing of these programs. Tiffin has asserted that the faculty nevertheless maintains control of the quality of all the academic programs at AU/Ivy Bridge. The Fact-Finding Team met with both the Tiffin and AU/Ivy Bridge faculties. While the faculties affirmed an oversight of these programs, when asked for specific details related to program review and improvement, oversight of assessment of student learning, or other faculty responsibilities related to the curriculum and how these were exercised with regard to AU/Ivy Bridge programs, the faculty was not able to articulate detailed and clear processes by which Tiffin faculty exercised oversight or by even which AU/Ivy Bridge faculty exercised oversight. While it was clear that suggestions for curricular improvements were encouraged from faculty at AU/Ivy Bridge, processes for regular operational curricular oversight by the Tiffin and AU/Ivy Bridge faculty of the AU/Ivy Bridge academic programs had not been institutionalized and conducted on regular basis by defined faculty groups following identified procedures. The attached NFI analysis describes the abrogation by main campus Tiffin faculty of any meaningful role in judging or improving retention at AU/Ivy Bridge.

The pattern of evidence indicates that Tiffin, its Board and faculty do not adequately assure the integrity of AU/Ivy Bridge and its business, financial and academic operations and that the Tiffin Board does not consistently make autonomous decisions in the best interest of Tiffin when dealing with AU/Ivy Bridge, as required by this Core Component. Therefore, this Core Component is not met.

2.D. The institution is committed to freedom of expression and the pursuit of truth in teaching and learning.

2.E. The institution ensures that faculty, students, and staff acquire, discover, and apply knowledgeably.

Tiffin has appropriate policies and procedures related to academic freedom and use of

knowledge. However, as previously noted, it remains unclear to what extent these policies relate to AU/Ivy Bridge. These Core Components are met.

Tiffin does not meet either Core Component 2.A related to integrity or, with the inclusion of the joint venture in its structure, 2.C related to governance. Core Component 2.B is met but with concerns. Core Components 2.D and 2.E are met. Therefore this Criterion is not met.

Criterion Three. Teaching and Learning: Quality, Resources, and Support

The institution provides high quality education, wherever and however its offerings are delivered.

Core Components

3.A. The institution's degree programs are appropriate to higher education.

The initiation of AU/Ivy Bridge has not had a significant effect on the appropriateness of degree programs elsewhere in Tiffin. While the Fact-Finding Team did not attempt to inspect programs on the main campus, it sees no reason that the review made during the comprehensive review of 2010 should have changed appreciably. That review was reasonably positive. At the same time, the Fact-Finding Team's review of eleven courses at AU/Ivy Bridge found them lacking in content appropriate for a college course. As indicated previously, AU/Ivy Bridge functions more or less autonomously of the main campus in academic matters outside formal curricular change and faculty hiring and promotion, and it is unlikely that this state of affairs can change under the current structure. Given the poor quality of at least some of the courses at AU/Ivy Bridge and the lack of oversight by faculty of the AU/Ivy Bridge degree programs, these programs are not appropriate to higher education as required by this Core Component. Therefore this Core Component is not met.

3.B. The institution demonstrates that the exercise of intellectual inquiry and the acquisition, application, and integration of broad learning and skills are integral to its educational programs.

As in the above Core Component, the Fact-Finding Team sees no problem outside AU/Ivy Bridge. Some of the courses looked at AU/Ivy Bridge were general education courses (e.g., ENG 140 Fundamentals of College Writing and HST 211 Western Society to 1500), which shared the character of lack of content and lack of rigor expected in a collegiate course. The highly compressed nature of the online class schedule and the low level of preparation brought by many AU/Ivy Bridge students raise further concerns about the application of intellectual inquiry or integration of broad learning skills taking place in AU/Ivy Bridge courses. Therefore the AU/Ivy Bridge programs lack the exercise of intellectual inquiry and integration of learning skills required by this Core Component. This Core Component is not met.

3.C. The institution has the faculty and staff needed for effective, high-quality programs and student services.

The Fact-Finding Team found the faculty and staff to be qualified throughout Tiffin and AU/Ivy Bridge. On the main campus, however, faculty overloads in some areas do raise

concerns and need attention to ensure that faculty stay current in their fields, while carrying out their responsibilities in the classroom and in curricular oversight. At AU/Ivy Bridge, it is not clear that the overall number of personnel is adequate for effective and high-quality programs, especially given the type of student AU/Ivy Bridge admits. This Core Component is met but with concerns.

3.D. The institution provides support for student learning and effective teaching.

The Fact-Finding Team found there to be support for student learning and teaching for seated classes. Lack of content of the online courses at AU/Ivy Bridge leaves doubt about adequate support for teaching in this mode of delivery, though there is certainly some support for online teaching. The current students at AU/Ivy Bridge interviewed by the Team gave good marks to their coaches and reasonable marks to their tutors, though there may not be enough of them for student learning. This Core Component is met but with concerns.

3.E. The institution fulfills the claims it makes for an enriched educational environment.

The Fact-Finding Team was not aware of any notable claims for an enriched educational environment.

Tiffin does not meet either Core Component 3.A or 3.B related to the quality and rigor of the courses at AU/Ivy Bridge. Tiffin meets Core Components 3.C, and 3.D but with concerns also related to the quality of the operations at AU/Ivy Bridge. Core Component 3.E is met. Therefore this Criterion is not met.

Criterion Four. Teaching and Learning: Evaluation and Improvement

The institution demonstrates responsibility for the quality of its educational programs, learning environments, and support services, and it evaluates their effectiveness for student learning through processes designed to promote continuous improvement.

Core Components

4.A. The institution demonstrates responsibility for the quality of its educational programs.

The Fact-Finding Team found reasonable responsibility being taken for quality on the main campus. As indicated previously, however, there does not seem to be substantial operational oversight of AU/Ivy Bridge from Tiffin, and the main campus faculty has not exercised responsibility in reviewing academic operations of the joint venture. Tiffin is not demonstrating responsibility for the quality of the AU/Ivy Bridge operation as required by this Core Component. This Core Component is not met.

4.B. The institution demonstrates a commitment to educational achievement and improvement through ongoing assessment of student learning.

The Fact-Finding Team was aware of the assessment effort on the main campus and finds it acceptable. There did not appear to be any attempt to compare learning outcomes at AU/Ivy Bridge with those on the main campus, though, with AU/Ivy Bridge in existence only since 2010, data would presumably be limited at this point. Nevertheless, it did not appear that reasonable assessment of student learning was taking place at AU/Ivy Bridge or that there was

any commitment at AU/Ivy Bridge to improving educational achievement through a developed and rigorous process of assessing student learning. This pattern of evidence leaves the Commission Staff with serious concerns over whether this Core Component is met. However, because AU/Ivy Bridge is a relatively new operation that will need some additional time to develop mature assessment approaches, this report concludes that the Core Component is met but with concerns.

- 4.C. The institution demonstrates a commitment to educational improvement through ongoing attention to retention, persistence, and completion rates in its degree and certificate programs.

As indicated in the attached NFI analysis, the extremely poor retention rate for new students (25%) at AU/Ivy Bridge, and the lack of any effort on the part of Tiffin or AU/Ivy Bridge to improve this rate, demonstrates to the Fact-Finding Team that Tiffin does not currently meet this Core Component. The Tiffin Board has not had discussions about student success at AU/Ivy Bridge, and the main campus faculty was reluctant to set any goal for improvement in the AU/Ivy Bridge retention rate. The last-minute projection of improvement by the AE CEO to 35% was markedly insufficient in the eyes of the Team. This projection was not backed up by strategies other than asking for transcripts and keeping close tabs on area codes where phony potential students had called from in the past. When all is said and done, the attitude of AU/Ivy Bridge is best summed up by its Campus Executive Officer in blaming the low rate on the low quality of the students. Tiffin lacks strategies for setting thresholds for student success at AU/Ivy Bridge or the mechanisms to achieve those strategies, as required by this Core Component. This Core Component is not met.

Tiffin does not meet either Core Component 4.A or 4.C. related to its failure to demonstrate responsibility for the quality, or lack thereof, of the programs at AU/Ivy Bridge or any commitment to educational achievement or improvement at AU/Ivy Bridge through attention to persistence and retention. At best, Core Component 4.B is met with concerns. This Criterion is not met.

Criterion Five. Resources, Planning, and Institutional Effectiveness

The institution's resources, structures, and processes are sufficient to fulfill its mission, improve the quality of its educational offerings, and respond to future challenges and opportunities. The institution plans for the future.

Core Components

- 5.A. The institution's resource base supports its current educational programs and its plans for maintaining and strengthening their quality in the future.

Tiffin's financial resources are generally strong. Tiffin has significant long-term debt of approximately \$28 million. However, while Tiffin has struggled with this debt in the past, as previously noted with regard to Eligibility Requirement #8, it now has positive indicators of improving financial health. These include: rising net tuition revenue; improved gift-giving; and positive cash flow. With the improved economy, the value of the endowment has also increased from \$4.9 million in 2009-10 to \$7 million in 2011-12. Tiffin seems to be managing its debt and generally improving its financial situation for the future.

Tiffin's physical and human resources also appear strong. Tiffin has an attractive campus that is relatively new with limited deferred maintenance. It has sufficient faculty members with appropriate credentials and knowledgeable and experienced senior administrators and staff. While AU/Ivy Bridge has its own senior administrators, Tiffin administrators, as noted in the interviews with the Fact-Finding Team, have been asked to take on additional responsibilities to ensure that Tiffin is properly exercising its oversight responsibilities of AU/Ivy Bridge. In addition, were Tiffin administrators to be exercising the degree of oversight they should be exercising over a significant part of the institution, the workload should be even greater. There do not appear to be sufficient Tiffin personnel to provide the oversight for AU/Ivy Bridge that should be taking place.

AU/Ivy Bridge is differently situated than Tiffin with regard to financial resources. As previously noted, this entity is a start-up operation that is relying on significant infusions of capital from AE. AU/Ivy Bridge has yet to prove that it has stable finances and enrollment. On the financial side, AU/Ivy Bridge may generate sufficient revenues this year to pay its regular bills on its own for the first time. On the enrollment side, enrollment appears to have accelerated dramatically between fall of 2010 and fall of 2011 from approximately 1,600 to 3,200 students only to drop off between fall of 2011 and fall of 2012 to 2,800 students. As previously noted, retention is a significant challenge for AU/Ivy Bridge, further exacerbating enrollment issues.

AE is funded by investors that include Maveron, Spark Capital and Charles River Ventures. In November 2010, for example, AE received \$18.6 million in venture funding. AE's 2011 Financial Statements refer to AU/Ivy Bridge as a majority-owned subsidiary of AE. Because AE is largely operating on venture funding, understanding the investment horizon of the investors is important in understanding their business objectives. When asked by the Fact-Finding Team about the business objectives of the investors, the President of AE did not adequately explain those objectives or the investors' investment horizon.

AU/Ivy Bridge has limited physical and human resources. It has office space in Toledo, which houses most of the operations that support AU/Ivy Bridge. It has a faculty with only 11 full-time faculty members for approximately 3,000 students; the full-time faculty is augmented by a large group of adjunct instructors. AU/Ivy Bridge has a support staff of mentors, tutors, financial aid professionals and others who support students in the College, but this staff is not adequate in number. As previously noted, 19 success coaches and 10 tutors is not a sufficient number of individuals to support a body of approximately 3,000 students, many of whom are at-risk open-access students who rely heavily on this assistance as the students reported in the conference call with the Fact-Finding Team.

Tiffin provides no cash or other resources of its own to support AU/Ivy Bridge even though Tiffin claims AU/Ivy Bridge to be a part of Tiffin. It has provided some intellectual property and some academic expertise, but its primary contribution to this relationship appears to be its accreditation so that AU/Ivy Bridge students are able to qualify for Title IV federal financial aid. Tiffin is essentially reliant on the good will and contractual obligations of AE and its investors to ensure that AU/Ivy Bridge has sufficient resources even though Tiffin claims responsibility for, and oversight of, AU/Ivy Bridge. Yet, as noted above, in many areas AU/Ivy Bridge's resources

are thin. The lack of control of Tiffin over AU/Ivy Bridge's financial and other resources and the insufficiency of Tiffin personnel to provide appropriate administrative oversight leaves substantial concerns with this Core Component. This Core Component is met but with concerns.

5.B. The institution's governance and administrative structures promote effective leadership and support collaborative processes that enable the institution to fulfill its mission.

The Tiffin Board of Trustees appears to provide reasonable oversight of Tiffin. The administrative structure at Tiffin appears to perform effectively to exercise its oversight of the institution.

However, the Tiffin Board does not exercise appropriate oversight of AU/Ivy Bridge or have mechanisms through which to do so. The Tiffin Board has no mechanism to exercise governance effectively over AU/Ivy Bridge. While it does have a subcommittee to ensure that it is appropriately informed about AU/Ivy Bridge activities, the Board has two representatives on the AU/Ivy Bridge Board of Managers; AE has the controlling votes on that Board of Managers not only in terms of the number of votes it controls but also by virtue of the fact that it controls more than 50% of the common units in the LLC. When the Fact-Finding Team asked the Tiffin Board about a serious issue at AU/Ivy Bridge, its low graduation and retention rates, not only was the Board not informed about the issue, it was not entirely clear what the Board could do about it.

In addition, Tiffin administrators have no authority over functional areas at AU/Ivy Bridge. When the Fact-Finding Team asked key administrators at Tiffin about certain problems that might arise in the equivalent functional area at AU/Ivy Bridge, many of them believed that they had no oversight of that area on the AU/Ivy Bridge side or were unsure. This view is clearly reinforced by the organizational chart in which AU/Ivy Bridge personnel ultimately report to the Campus Executive Officer not to any functional department or senior administrator at Tiffin. And the Campus Executive Officer while ostensibly reporting to the Tiffin president, is listed on the AE website as one of its employees. It was also clear from her interview with the Fact-Finding Team that, while she was interviewed by the Tiffin president prior to her employment, she was handpicked by the President of AE for this role. Tiffin's oversight of AU/Ivy Bridge is nominal at best and does not demonstrate the effective leadership required by this Core Component. In addition, Commission approval of programs licensed under a contractual arrangement requires proper oversight by the accredited institution, and the Fact-Finding Team did not find that this requirement to be fulfilled in this respect either. This Core Component is not met.

5.C. The institution engages in systematic and integrated planning.

Tiffin, AU/Ivy Bridge and AE appear to have engaged in a reasonable planning process related to the joint venture. The business plan is thorough and makes reasonable projections for future revenue and growth at AU/Ivy Bridge. It is unclear, however, that AU/Ivy Bridge has its strategic plan or that Tiffin's strategic plan encompasses AU/Ivy Bridge. In the materials presented to the team it appears that AU/Ivy Bridge will engage in a formal academic planning process either later this year or even after independent accreditation is achieved. This Core Component is met but with concerns.

5.D. The institution works systematically to improve its performance.

As reflected in the discussion on Core Component 4.C related to student success, there has been inadequate effort to improve the poor retention rate at AU/Ivy Bridge. Likewise other aspects of the AU/Ivy Bridge operation (such as the lack of content in courses) appear either to have been ignored or written out of the responsibilities of Tiffin. The Fact-Finding Team does not believe the joint venture, as currently structured, can allow Tiffin to meet this Core Component, even if the main campus had made dramatic strides in several areas, including finance. This Core Component is not met.

Tiffin does not meet either Core Component 5.B related to Tiffin's governance and administration of AU/Ivy Bridge or 5.D related to Tiffin's work to improve the performance of AU/Ivy Bridge. Core Component 5.A related to the resources of AU/Ivy Bridge and Tiffin's control over those resources is at best met with concerns, and Core Component 5.C is met but with concerns about the strategic and academic planning related to AU/Ivy Bridge. This Criterion is not met.

4. Sufficiency of financial support for the transaction.

There appear to be adequate financial resources to support the joint venture in the short term. AE has significant venture funding that it appears to have invested consistently in AU/Ivy Bridge since its inception. AE has invested slightly more than \$10 million in AU/Ivy Bridge as of early 2013. There is no indication that AE has stepped back or will step back from its commitment to fund the joint venture until it can turn a profit and become accredited by another recognized accrediting agency as a separate institution. (As noted above, however, the joint venture's financial wherewithal on a long-term day to day basis is unproven and outside the control of the accredited institution.)

5. Previous experience in higher education, qualifications, and resources of the new owners, Board members or other individuals who play a key role in the institution or related entities subsequent to the transaction.

Tiffin has a capable and experienced senior administrative staff with experience in higher education. AE, on the other hand, is a new business. It was founded in 2007, and initiated this joint venture shortly after it was founded. While some of its key employees have some higher education experience, most of its key employees do not. AE itself has no experience managing an accredited institution. While conversations with its President indicated his interest in finding solutions to address higher education problems such as access, for example, it was unclear why he thought that this interest was best served by managing or operating a college or part of a college. While Tiffin claims to provide oversight over AU/Ivy Bridge, it appears that from a functional perspective such oversight is nominal. Moreover, AU/Ivy Bridge is not organized to allow Tiffin administrators to provide oversight of AU/Ivy Bridge in functional areas. Finally, the structure and voting provisions outlined in the Joint Venture and related agreements clearly place control over the joint venture with AE. Therefore the experience of Tiffin in higher education is of little or no value in demonstrating the appropriate expertise expected in this factor.

Characteristics of A Component That May be Included in an Accredited Institution

A component must demonstrate certain characteristics, as defined by Commission policy, in order for that component to be included in the institution's accreditation.

The component may be included in the institution's affiliation only if it has all of the following characteristics:

1. the home campus or system office has oversight over the finances, administration, and hiring, firing and retention of personnel at the component;
2. an administrator for the component reports to the CEO of the affiliated institution or the system;
3. the home campus or system office provides meaningful oversight over the academic programs at the component;
4. degree-granting authority of the home campus or system office encompasses, where possible, the degree or program activity of the component;
5. public information about the institution, the component, and any corporate parent or structure is consistent with the characterization of the entity as a component of the affiliated entity.

As noted at several points in the report, the proposed component lacks these characteristics. Tiffin has limited oversight of the finances, administration, and personnel at AU/Ivy Bridge. While the Campus Executive Officer of AU/Ivy Bridge nominally reports to the Tiffin President, she is clearly part of the AE team and is reported on AE's website as part of that team. The Tiffin administration does not oversee the functional or operational areas of AU/Ivy Bridge. While Tiffin's degree-granting authority covers the level of the degrees at AU/Ivy Bridge, it is not clear that the Ohio Board of Regents has appropriately reviewed and authorized the activities of AU/Ivy Bridge as part of Tiffin. Finally, as noted several times in this analysis, public information does not indicate that AU/Ivy Bridge is a component of Tiffin much like any other department or campus at Tiffin. It is not clear from public information whether Tiffin's regular academic policies and procedures, tuition and refund structure, and other processes extend to AU/Ivy Bridge. Clearly the student services and academic programs are different than what students would find on the main campus or at other Tiffin facilities.

Conclusion

This report identifies serious issues related to the proposal to include the joint venture within the accredited institution. Tiffin has not demonstrated that the institution's mission, student body, faculty and educational programs are appropriately extended through the joint venture; in fact, it appears that the AU/Ivy Bridge student body, faculty and educational programs are not at all like those structures on the Tiffin campus. Moreover, Tiffin's historic mission, objectives, outreach, scope, structure and related factors are not being continued and maintained in the same way through the joint venture, and Tiffin has failed to acknowledge, or plan for, changes in those areas.

The evidence further indicates that, with the inclusion of the joint venture, Tiffin would not remain in compliance with Criterion Two, Core Components 2.A and 2.C; Criterion Three, Core Components 3.A and 3.B; Criterion Four, Core Components 4.A and 4.C; and Criterion

Five, Core Components 5.B, and 5.D. Other Core Components are met but many with concerns. This significant non-compliance indicates large-scale issues with the quality of the AU/Ivy Bridge academic operations and resources and with Tiffin's oversight of them.

Tiffin has also failed to demonstrate that the investors who effectively operate the joint venture have significant experience or expertise in running an accredited institution or a component thereof. While Tiffin has experienced and capable Board members and administrators, those individuals have nominal authority over AU/Ivy Bridge academics and operations.

Therefore Tiffin has not demonstrated that the transaction meets the factors for approval of Change of Control, Structure or Organization. Tiffin has also not demonstrated that AU/Ivy Bridge meets the requirements for a component that seeks to be included in the accreditation of an accredited institution.

As noted in various places in the report, the Commission also alternatively considered whether the arrangement could be approved as a contractual relationship with AU/Ivy Bridge or AE. It cannot. The lack of oversight by Tiffin of the arrangement and the quality issues related to the academic content and formatting provided by AE would not meet the Commission's requirements for approval of a contractual relationship under its policies on institutional change.

Finally staff members note their concern with the apparent sale of accreditation to another entity. Tiffin has invested no cash in the creation of the joint venture and licensed programs to AE that it claimed to the Fact-Finding Team had little value. The only asset it has provided is its accreditation as noted by its auditor in the Notes of the 2010 audit. This Change of Control, Structure, or Organization evaluation has confirmed that Tiffin has provided its accreditation to another entity in exchange for various fees.

Attachments: Fact-finding Visit Report, NFI Report



Higher Learning Commission
A commission of the North Central Association

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May 31, 2013

Dr. Paul Marion, President
Tiffin University
155 Miami Street
Tiffin, OH 44883

Dear President Marion:

I am forwarding a copy of the Staff Summary Report recently completed with regard to the Change of Control, Structure or Organization to include the joint venture, Altius University/Ivy Bridge College ("AU/Ivy Bridge"), in the accredited status of Tiffin University. This report raises significant issues regarding AU/Ivy Bridge, its quality and the oversight of it exercised by Tiffin.

You have an opportunity to respond to this analysis and to identify any errors of fact within your response. The Staff Summary Report along with your application for Change of Control, Structure or Organization, your response to this report, and all other related correspondence will be provided to the Board of Trustees for consideration at its June 2013 meeting. Please send your response to your staff liaison, Dr. Robert Appleton, and to me no later than June 14.

The Board of Trustees has the discretion to approve or deny the Change of Control, Structure or Organization. With so many issues, it is likely that the Board will be considering denial. If the Board does deny the inclusion of the joint venture in the accredited status of Tiffin, the Board will likely also consider setting a deadline by which AU/Ivy Bridge would need to be disassociated from Tiffin, and requiring a teach-out plan for students at AU/Ivy Bridge who need to remain at an accredited institution to be taught out by another institution.

If you have questions, please contact Dr. Appleton or me.

Sincerely,

Karen L. Solinski
Vice President for Legal and Governmental Affairs

Enclosures

cc: Dr. Robert Appleton, Vice President for Accreditation Relations, Higher Learning Commission

TIFFIN UNIVERSITY RESPONSE TO HIGHER LEARNING COMMISSION STAFF SUMMARY REPORT

1. **Statement** (May 31, 2013 letter from Ms. Solinski accompanying the reports):

“The Board of Trustees has the discretion to approve or deny the Change of Control, Structure or Organization. With so many issues, it is likely that the Board will be considering denial. If the Board does deny the inclusion of the joint venture in the accredited status of Tiffin, the Board will likely also consider setting a deadline by which AU/Ivy Bridge would need to be disassociated from Tiffin, and requiring a teach-out plan for students at AU/Ivy Bridge who need to remain at an accredited institution to be taught out by another institution.”

Response: This statement seems to assume that previously endorsed arrangements can be removed by the retroactive application of a policy without providing Tiffin with an opportunity to clarify the arrangement and implications.

Because of the substantial implications and the numerous misunderstandings described in this submission, Tiffin University requests a meaningful opportunity to be heard prior to HLC taking any action to discontinue educational programs already underway. Even proposed sanctions receive a hearing opportunity before they are imposed, so the removal of a program approval justifies at least a comparable opportunity to clarify issues to ensure that the conclusions are based on facts, consistent with due process and conducted in a manner permitted by HLC requirements.

HLC has failed to follow its own published policies related to due process by compelling Tiffin University to submit a Change of Control, Structure or Organization application despite the Commission’s prior inclusion of the joint venture in the institution’s last comprehensive review of its affiliation of accreditation.

As an accreditor recognized by the U.S. Department of Education under the authority provided by the Higher Education Act of 1965 (and more broadly as a key component in a government funding program), the HLC must provide its member institutions with due process prior to taking any action that would affect a member institution’s accreditation.¹ Such requirements described under the Higher Education Act include that an accreditor provide, at a minimum, the following: clear, written standards outlining the requirements for an institution to be accredited; a reasonable time for institutions to comply with the accreditor’s requests for information; written notice of allegations of non-compliance; a meaningful opportunity for the member institution to respond to the allegations; consideration of the institution’s response by the accreditor prior to any adverse action being taken; written notice of any adverse action; and the opportunity for the institution to appeal an adverse action.

¹ See 20 U.S.C. §1099b; 34 C.F.R. §602.25; *Cleveland Bd. of Educ. v. Loudermill*, 470 U.S. 532, 542 (1985); *Boddie v. Connecticut*, 401 U.S. 371, 378 (1971); *Bell v. Burson*, 402 U.S. 535, 542 (1971)).

Here, HLC seeks to retroactively apply its Change of Control, Structure or Organization Policy (“Change Policy”) to the Altius University, LLC arrangement that was created in 2007, well in advance of the publication of that policy by the Commission. Furthermore, Tiffin is only permitted 14 days as part of this “errors of fact” response to attempt to clarify the issues. If Tiffin is in danger of being out of compliance with a standard – or deemed actually out of compliance – HLC reviewers and staff have the ability to recommend a sanction and an opportunity for a hearing and a more comprehensive response. In the present situation, HLC is attempting to circumvent this process by requiring an application pursuant to the Change Policy - despite the fact no change has occurred since 2010 – and denying access to the full decision process as outlined in Policy 2.2. By compelling Tiffin University to submit an application under the Change Policy rather than conducting a substantive review of the University as a whole (which resulted in numerous positive comments about the current arrangement), the HLC has effectively denied the University access to the full procedural rights it would have available under normal circumstances.

Tiffin certainly does not intend to create an adversarial series of interactions on this point, but emphasizes that much confusion seems to exist regarding the scope of the agreement and, therefore, respectfully requests that the HLC allow a more comprehensive interaction before taking any adverse action. Tiffin also is not encouraging the imposition of a sanction to allow an opportunity to present its side of the story regarding the compliance of the programs in question. Instead, we simply want the opportunity to provide a complete response, meet with agency staff, appear before the Trustees, or do whatever is necessary to allow an accurate discussion about how Tiffin operates. We believe that has not occurred to date and, therefore, would greatly appreciate the opportunity to confirm that the agreement is compliant before any final decisions are made about operations going forward.

2. **Statement** (page 1): “Altius Education (AE), formerly Ivy Bridge Education..... .”

Response: Altius Education was never known as Ivy Bridge Education.

3. **Statement** (page 2): “Altius University, also known as Ivy Bridge College of Tiffin University (AU/Ivy Bridge)”

Response: Altius University, LLC and Ivy Bridge College of Tiffin University are two separate entities and cannot be conflated. Altius University, LLC is a joint venture between Tiffin University and Altius Education that provides marketing, call center, enrollment management, technology support, and certain student services for the delivery of TU’s online associate’s degree programs. Ivy Bridge College of Tiffin University is an academic and administrative unit of the University that operates from an academic perspective in the same way as TU’s other four schools (School of Arts and Sciences, School of Business, School of Criminal Justice and Social Sciences, and School of Graduate and Degree Completion Programs).

4. **Statement** (page 2): “Finally, the Commission also considered alternatively whether the arrangement with AU/Ivy Bridge or AE could be approved as a contractual relationship under the Commission’s Institutional Change policy.”

Response: We are not aware that any member of the team discussed with any of the individuals with whom they met whether an alternative form of contractual arrangement could be considered. We request the opportunity to explore this possibility with HLC because it would be significantly less disruptive for our students than a teach-out requirement.

5. **Statement** (page 2): “In this review the Commission considered for approval under the Commission’s Change of Control, Structure or Organization the inclusion of the joint venture, AU/Ivy Bridge College, in the accreditation of Tiffin and the related formation by Tiffin of the Limited Liability Corporation. In addition, the Commission considered whether the joint venture could be approved to be included in the accreditation of the institution based on the Commission’s policy on Components of an Accredited Institution.

In addition, while it appeared that Tiffin brought the joint venture to the attention of the Commission President and the comprehensive evaluation team in previous years, it did not properly apply for a Change of Control, Structure or Organization, or formally inquire about the need for such approval, once it became aware, or should have been aware, that the Change of Control, Structure or Organization policy was approved and operational.”

Response: These statements and all other related statements asserting that Tiffin University should have sought approval for a Change of Control, Structure or Organization, should be removed from the report, as there was no basis for HLC to claim there was a Change of Control, Structure, or Organization at Tiffin University since the adoption of the Change policy in June 2009.

Tiffin University was compelled to submit a Change of Control, Structure or Organization application (“Change Application”) to the HLC despite there not being a change at the University that requires the Commission’s approval since the Change Policy was adopted in June 2009 (discussed on page 9 of the Staff Summary Report). As stated on page 6 of the Staff Summary Report, in 2007 Tiffin University established and registered Altius University, LLC to support TU’s academic degree programs. Tiffin and Altius Education executed a licensing agreement and a program agreement to facilitate the use of Tiffin’s curriculum, referenced in the Report as the “intellectual property of Tiffin,” in furtherance of the joint venture’s purpose.

Tiffin disclosed the new entity to the Commission in 2007 as noted on page 8 of the Staff Summary Report. Also noted on page 8 is that “at the time of the reporting, the Commission had no policy that would have related to the establishment of a joint venture.” There was no basis for Tiffin to presume that the reported joint venture would not be included in the institution’s affiliation with HLC. Further, the joint venture, as an outsourced component of

Tiffin University, was reviewed as part of Tiffin's most recent comprehensive evaluation in 2009-10, and the Staff Report notes that "...the comprehensive evaluation team was aware of the joint venture and made generally favorable statements about it" at that time. Similar to when Tiffin informed HLC of its joint venture during its evaluation in 2009-2010, the team also reinforced the institution's understanding of the joint venture being understood by the Commission to be a partner in the institution's delivery of distance education programs.

Since the 2010 comprehensive evaluation, there have been no institutional changes related to Tiffin University's joint venture that would warrant the institution submitting an approval request to the Commission under Policy 3.2.(a) "Institutional Change Requiring Notification or Approval." In reviewing the list of activities that would require an institutional change application or a Change of Control, Structure or Organization, none of the listed activities are asserted as occurring in the Staff Summary Report. The Report does note that there is a contractual agreement related to the delivery of academic programs, but the policy requires an application upon the "initiation" of such a contract, not when an agreement has been in place through a completed transaction, as is the case with Tiffin University (and noted in the Staff Summary Report on page 2).

The implication that Tiffin University "should have known," or even that it must now submit a Change of Control, Structure or Organization application, is inconsistent with the policies in place at the time of the creation of the University's joint venture and under the policies as revised since 2007. It is not reasonable for the Commission to try to retroactively apply its current requirements on actions that occurred in 2007. Stated simply, since there was no change, the Change Policy should not apply.

6. **Statement** (page 3): "Tiffin has described its relationship to the Commission in different ways that provide conflicting information about the nature and purpose of the relationship with AU and AE regarding the delivery of programs through Ivy Bridge."

Response: We realize that the relationship is complicated and can be confusing. Basically, Tiffin partnered with AE to create Altius University, LLC to provide services for our online associate's degree programs. The services include marketing, help desk, technology support, certain student services, student recruitment, and other functions that may be outsourced by an accredited institution. Tiffin handles everything related to academics, financial aid, registration and records, and the collection of tuition payments.

7. **Statement** (page 3): "[TU's] claim to control the programs offered through AU/Ivy Bridge is in conflict with the reality that these programs are controlled by AU/Ivy Bridge and AE."

Response: All of the responsibilities that must be under the control of an accredited institution (academic, tutoring and library services, and financial aid, bursar, and registrar functions) are carried out by TU employees who ultimately report to the TU President who reports to the TU

Board. Neither AE, which provides funding, nor AU, LLC, which provides services that are not required to be carried out by the accredited institution, have any control over the functions that must be under the control of TU. In fact, TU has more control over the servicing entity (AU, LLC) than most colleges and universities that outsource these types of services because TU is part-owner of AU, LLC and many of the services have been supervised by the Campus Executive Officer, who is a TU employee who reports to the TU President. If HLC has any concerns about the role of the Campus Executive Officer, these should be resolved based on the fact that this position has been eliminated and the academic, registrar, and financial aid functions now report to senior administrators on the main campus.

In the summer of 2012, I met with you at the HLC offices in Chicago, informed you of our desire to begin the process for Ivy Bridge to become accredited as an independent institution through the senior division of the Western Association of Colleges and Schools (WASC), and asked for your guidance as to how we should proceed. You indicated that we should submit an application to HLC for Change of Control, Structure, or Organization, which we did in October of 2012, along with a Substantive Change Application for approval to create a branch campus in California. We were considering seeking independent accreditation through WASC because TU would no longer be involved once independent accreditation was achieved and the AE headquarters are in California.

As part of the process to seek independent accreditation through WASC, the Ivy Bridge entity needed to begin transitioning to branch campus status, which requires a greater degree of independence from the main campus. The challenge for us was how to operate Ivy Bridge in a more independent manner in order to prepare for the WASC accreditation process, while maintaining the appropriate controls from our main campus while HLC was evaluating our goal of moving to independent accreditation. The Staff Summary Report clearly indicates that the team feels that the process toward greater autonomy for Ivy Bridge went too far. This concern should be resolved now that we have decided not to pursue independent accreditation and have made the administrative changes to bring the operation more directly under the control of senior administrators on the main campus.

8. **Statement** (page 3): "The licensing of these programs to AU/Ivy Bridge has proceeded well beyond the single online program declared in 2010 without Tiffin seeking necessary approvals from the Commission and the Ohio Board of Regents."

Response: TU authorizes AU, LLC to provide services to support the delivery of our three associate's degree programs (AA- General Studies, ABA, and ACJ) through Ivy Bridge, but we do not interpret this as licensing the programs to AU, LLC. All three of these programs were being delivered with the assistance of the AU, LLC services when the HLC evaluation team conducted its visit in 2010, so the reference above to "the single online program declared in 2010" is not accurate. In order to be considered for the senior division of WASC, it was our understanding that one or more programs above the associate's degree level would need to be delivered

through the same academic unit of Tiffin University that we were proposing to become a WASC branch and ultimately a separately accredited entity. Two concentrations within our existing Master of Education program and our existing BA in Professional Studies were selected for inclusion in the Ivy Bridge College offerings in order to meet the requirement to be considered by the senior division of WASC and also because these programs needed improvements in the quality of the courses and in the levels of enrollment. It was determined that it would be advantageous for TU if the resources and expertise available through the AU, LLC services effort could be used to increase the enrollment and improve the course quality in these programs. However, this is no longer an issue since delivery of the MEd concentrations and the BA in Professional Studies programs are now being handled by our School of Graduate and Degree Completion Programs.

9. **Statement** (page 3): "Tiffin has improperly shared students' private information with AU/Ivy Bridge and AE because neither entity is designated third-party servicer or listed as such on Tiffin's Electronic Application."

Response: This assertion is erroneous, and should be removed, as Tiffin has complied fully with its student privacy obligations. As stated above, the Staff Summary Report incorrectly applies the requirements of the Family and Educational Rights and Privacy Act ("FERPA"), 20 U.S.C. § 1232g, 34 C.F.R. Part 99. Under FERPA, at 34 C.F.R. § 99.31(a)(1)(i), an institution may disclose "personally identifiable information" from student education records without the consent of the student if "[t]he disclosure is to other school officials, including teachers, within the...institution whom the...institution has determined to have legitimate educational interests" in receiving that information. The regulation goes on to state that "[a] contractor, consultant, volunteer, or other party to whom...an institution has outsourced institutional services or functions may be considered a school official...provided that the outside party" meets the following three requirements: 1) The outside party "[p]erforms an institutional service or function for which the...institution would otherwise use employees;" 2) The outside party "[i]s under the direct control of the...institution with respect to the use and maintenance of education records;" and 3) The institution only discloses the personally identifiable information to the outside party "on the condition that [the outside party]...will not disclose the information to any other party [except in compliance with FERPA]."

As a preliminary matter, while Altius University, LLC is a related party, and follows the Tiffin University recordkeeping protocol, even if treated as a unique entity, FERPA does not require that the non-University entity be a "third-party servicer" as that term is defined by the U.S. Department of Education regulations nor does it require the entity be listed on the institution's E-App as such. Instead, the institution may disclose personally identifiable information from student records to any "party" that meets the regulatory requirements. Tiffin's agreements with AU/Ivy Bridge and AE meet all three requirements.

In addition, access by AE and AU, LLC employees to certain student data does not violate student privacy rights because the privacy policy on all information request and online application forms explicitly allow AE and AU, LLC employees access to the data collected.

10. **Statement** (page 3): “the Tiffin Board has ceded authority to the AU/Ivy Bridge Board of Managers so as to compromise the autonomy of the Tiffin Board in important respects.”

Response: There is no AU/Ivy Bridge Board of Managers since Ivy Bridge is a component of TU that is completely under the authority of the TU Board. The AU, LLC Board of Managers provides oversight of the service components (marketing, call center, student recruitment, certain student services, and technology support) that are the responsibility of the joint venture. TU’s part ownership of AU, LC and the involvement on the Board of Managers of the TU President and the TU trustee who chairs the TU Board’s committee related to the joint venture provide TU with more influence over the delivery of services than is the case with most other colleges and universities that outsource these same types of services to third-party providers.

11. **Statement** (page 4): “The compromising of Tiffin Board autonomy is illustrated in its decision to license some Bachelor’s and Master’s level programs to AU/Ivy Bridge (and give up Tiffin’s own ability to offer the programs for some years).....”

Response: TU does not license its programs to AU/Ivy Bridge. Those programs are offered and delivered through Tiffin University. Tiffin has not excluded itself from offering its programs. It simply has contracted certain services for those programs to AU, LLC for a period of years much like hundreds of HLC institutions do with third party bundled services providers, e.g., Deltak, Embanet, Blackboard, ECollege, etc. The two concentrations within our Master of Education program and our BA in Professional Studies program were to be delivered through Ivy Bridge College and serviced by AU, LLC based on the agreement that all of the financial benefit would remain with TU and would not be shared with the budget of AU, LLC. However, this issue should no longer be of concern to HLC because these programs are now being delivered through our School of Graduate and Degree Completion Programs since we are no longer planning to pursue independent accreditation.

12. **Statement** (page 4): “the Fact-Finding Team’s review of the eleven courses at AU/Ivy Bridge found them lacking in content”.

Response: We disagree with the above statement based on (1) the statements in the 2010 report of the HLC peer review team that “The concept of the Ivy Bridge partnership is an excellent strategic initiative. It addresses an underserved population through a **strong curriculum**, efficient and effective academic support, excellent instruction, and a very good online portal for program delivery” and that “Ivy Bridge College delivers quality education to a relatively underserved population”; (2) the fact that more than 150 accredited colleges and universities in the U.S. have articulation agreements with TU to accept as transfer students any

student who earns a TU associate's degree through Ivy Bridge College of TU; (3) the findings of the Bill and Melinda Gates Foundation, which awarded a grant to the program in their NGLC Grant Programs and recently announced that Tiffin will be awarded an additional grant based on the English 140 course that is delivered through Ivy Bridge (which happens to be one of the courses reviewed by the HLC fact-finding team); (4) the perspectives of our faculty members who developed the course improvement methodology and process; program and course level learning outcomes that were reviewed against nationally-recognized guidance on learning outcomes used for general education and community colleges including the Lumina Foundation's Degree Qualification Profile (DQP), and course rubrics that are in keeping with Quality Matters standards; and credit hour definition, all of which are presented in Attachments A, B and C. It should be noted that none of these documents were requested by the review team prior to their visit, while they were on site, or post their visit.

13. **Statement** (page 4): "As indicated in the attached NFI analysis, the extremely poor retention rate for new students (25% Fall to Fall) at AU/Ivy Bridge, and the lack of meaningful effort on the part of Tiffin or AU/Ivy Bridge to improve this rate"

Response: We do not believe that using fall-to-fall retention rates is a useful measure to evaluate success for students enrolled in online associate's degree programs because many of these students are adults with job and family commitments who tend to stop out and then re-enroll at various times throughout the year since Ivy Bridge classes are eight weeks in duration. Based on available data, we believe that the persistence and graduation rates for Ivy Bridge College students are as high or higher than at many institutions that serve similar student populations. For example, 31% of our first cohort graduated in less than five years compared to an average graduation rate of 18.3% for all students at Ohio community colleges (colleges that are accredited and in good standing with HLC).

Even without the comparative context, saying Ivy Bridge College of Tiffin University has a 25% fall-to-fall retention rate is inaccurate. First of all, this number is fall population to fall population, which isn't the same as retention rate, which is calculated for first-semester first-year, to first-semester second-year. In this calculation, our graduates are counted against our retention rate! In addition, this formula doesn't fully adjust for "stop out effect." For example, our population in Fall 2010 was 1749, of which 592 (or 33.85%) were enrolled in either fall term. However, 709 (or 40.53%) graduated before Fall 2011 or have since re-enrolled, and an additional 535 have stopped out rather than been dismissed or dropped out and are still eligible to re-enroll. Similarly the Fall 2011 population was 3412 of which 1006 (or 29.48%) were enrolled in either Fall 2012 semester, but 1,180 (or 34.58%) had graduated before Fall 2012 or have since re-enrolled, and an additional 580 have stopped out and are eligible to re-enroll.

Rather than the misleading statistic of fall-to-fall retention, TU focuses on the following "Quality Measures" (Attachment D) for students enrolled through Ivy Bridge: Term-Over-Term Persistence, Full-Time/Part-Time Status, Satisfactory Academic Progress, Student Satisfaction,

and Grades. "Quality Indicators" reports are distributed to staff and faculty members after each term, discussed at group meetings to identify ways to improve, and presented at meetings of the AU Board of Managers and the AU Committee of the TU Board of Trustees. Predictive modeling is used to better estimate student success and ensure that tutoring services, success coaching, and other support programs are provided to the students with the greatest need. Attachment E presents predictive analytics and success coach goals and plans. Also, the Faculty has set the course level pass rate targets shown in Attachment F.

Also, success has improved substantially. Since the end of the 2012 fall semester, the percentage of students receiving A's is up 50%, and student participation has improved 10%. In addition, since last year, pass rates are up 17%, Satisfactory Academic Progress is up 37%, dismissals are down 45%, and student satisfaction (which has always been high) is up 11%. These improvements are detailed in Attachment D.

14. **Statement** (page 5): "the last-minute projection of improvement by the AE CEO of 35% was markedly insufficient in the eyes of the Team."

Response: According to the CEO of Altius, he was referring to a 35% success rate (graduation plus transfer) as the goal of the program, not a 35% fall-to-fall retention rate. If 35% of Ivy Bridge College students graduate and transfer into bachelor's degree programs, this would be much better than the average for other comparable institutions and would represent an increase of approximately 10% for the Ivy Bridge College program.

15. **Statement** (page 5): "AU/Ivy Bridge personnel ultimately report to the Campus Executive Officer not to any functional department or senior administrator at Tiffin."

Response: It is difficult to understand what is meant by "AU/Ivy Bridge personnel." As noted above, there is no such entity as AU/Ivy Bridge. All personnel involved in the delivery of the Ivy Bridge College programs that are engaged in services that are under the direction of Tiffin University, e.g., financial aid, academic administration, Bursar, Registrar, faculty, etc., report within the Tiffin University administrative structure. The position of Campus Executive Officer was an employee of TU. While we believe that having the position of Campus Executive Officer who reported directly to the TU President was appropriate and was also necessary when our plan was to begin the process for independent accreditation, this position has been eliminated and the dean for online associate's degree programs now reports to the TU Vice President for Academic Affairs and the Director of Registration and Student Financial Services now reports to the Director of Financial Aid for financial aid responsibilities and to the Dean of Academic Support Programs for registrar functions. The Bursar position in Toledo has always reported to the TU Vice President for Finance and Administration.

16. **Statement** (page 5): "There were not even goals established."

Response: Goals have been established in five “Quality Indicators” (Attachment D). Goals for course level pass rates are shown in Attachment F. Furthermore, student success has been improving substantially. Since the end of the fall semester, the percentage of students receiving A’s is up 50%, and student participation has improved 10%. In addition, since last year, pass rates are up 17%, Satisfactory Academic Progress is up 37%, dismissals are down 45%, and student satisfaction (which has always been high) is up 11%. These improvements are detailed in Attachment D Quality Improvements.

17. **Statement** (page 8): “Commission records provide no evidence that Tiffin formally reported the legal arrangement and sought approval for it under these policies.”

Response: Tiffin sent written notifications of the joint venture to HLC in 2008 and 2009, and we received no response indicating any concern. As part of the process in 2009-10 that resulted in HLC approving continuing accreditation for TU through 2020, our self-study report provided detailed information about Ivy Bridge and the peer review team reviewed the joint venture legal documents and visited our Toledo facility and met with staff and faculty members involved in the delivery of our online associate’s degree programs through Ivy Bridge. The report of the peer review team included no concerns or negative comments about Ivy Bridge, but did include a number of very positive statements about this arrangement. HLC approved continuing accreditation for TU with no mention of any concerns about Ivy Bridge.

18. **Statement** (page 11): “...these students are open-access students that one might find in an open-access institution that serves a broad range of communities. The population of students is different from the traditional age students on the main campus or the working adults at Tiffin’s additional locations in Ohio.”

Response: While the admission standards for our associate’s degree programs are not as high as for our bachelor’s degree programs, Ivy Bridge College programs are not “open-access”. Applicants are required to have graduated from high school or earned a GED and are required to pass the College Readiness Assessment. Of the students who were enrolled last year, 71% had high school GPA’s of “C” or better and 24% entered with a GED. On average, the students enrolled in our online associate’s degree programs are different than those in our main campus bachelor’s degree programs, our online and seated bachelor’s degree completion programs, and our online and seated master’s degree programs. However, students in each of those four categories are different, on average, from the students in each of the three other groups. There is nothing wrong with this. Indeed, the admission requirements for Tiffin’s associate’s degree programs are more restrictive than those of most of the open-access community colleges in Ohio that are accredited by HLC. Tiffin works very hard at providing support services and course delivery mechanisms that are appropriate for each group based on the understanding that learning outcomes should be high in every case.

19. **Statement** (page 14): “neither the academic Dean for AU/Ivy Bridge nor the faculty report directly to the Vice President for Academic Affairs for Tiffin.”

Response: As with all other TU faculty members, those who are assigned to the Ivy Bridge College program have always reported to the TU President through the TU Vice President for Academic Affairs and this continues to be the case. The Campus Executive Officer position has been eliminated, so the academic Dean for TU’s online associate’s degree programs now reports directly to the Vice President for Academic Affairs.

20. **Statement** (page 16): “the AU/Ivy Bridge website included information about program accreditation, when it did not appear to be the case from the specific information supplied that these program accreditations had been extended to the specific programs offered by AU/Ivy Bridge.”

Response: As noted above, all programs are offered by Ivy Bridge College of Tiffin University which is the accredited institution. HLC’s accreditation of TU provides the authority for us to offer the AA in Professional Studies, ABA, and ACJ degrees in both seated and online formats. These programs are offered through Ivy Bridge College of TU in the same manner as our BBA is offered through our School of Business, our BCJ is offered through our School of Criminal Justice and Social Sciences, our BA and BS are offered through our School of Arts and Sciences, and our master’s degrees and degree completion programs are offered through our School of Graduate and Degree Completion Programs.

21. **Statement** (page 17): “The joint venture is not governed by the existing governance and administrative structures of Tiffin.”

Response: The Tiffin University governance and administrative structures are fully in control of the functions that are required to be carried out by an accredited institution (all academic aspects, tutoring and library services, and the financial aid, bursar, and registrar functions). The joint venture (AU, LLC), which provides services related to marketing, student recruitment, certain student services, help desk, and technology support, is governed by a five-member Board of Managers that include the TU President and the TU trustee who chairs the AU Committee of the TU Board of Trustees.

22. **Statement** (page 19): “Tiffin has variously described in its documents its relationship with AE as a joint venture, a partnership, a service provider, and a funding vehicle.”

Response: All of these are accurate descriptions of the relationship between Tiffin and AU, LLC. If these terms have different legal meanings, we are not aware of the differences. The use of different terms at different times was due to our efforts to communicate as concisely as possible, and we can understand how our attempts to explain this complex arrangement can be confusing. The important thing to remember is that our 2010 self-study report to HLC provided

the details of our joint venture and the visiting team reviewed the legal documents and met with staff and faculty members who were involved. Therefore, there has never been any intent on the part of TU to withhold or miscommunicate any information about our relationship with AU, LLC.

23. **Statement** (page 19): “Finally, the claim made by several Tiffin and AE employees that AE was a third-party servicer for Title IV federal financial aid and therefore could reasonably have access to private student information was not documented by its Electronic Application to the U.S. Department of Education in which AE was not listed as such.”

Response: We are not aware that any TU or AE staff member made this claim. AU, LLC is not a third party servicer for TU and never has been. No authorized individual has ever claimed that nor, if they did, would they be accurate. Someone may have suggested that AE employees could reasonably have access to other forms of student information because FAFSA data is only available to financial aid staff members who are TU employees.

24. **Statement** (page 21): “The compromising of Tiffin Board autonomy is illustrated in its decision to license some Bachelor’s and Master’s level programs”.

Response: A previous response explained why this decision was appropriate and why these programs are no longer delivered through Ivy Bridge. Further, TU does not license its programs to AU, LLC for delivery, solely for the development of online curricula much like hundreds of institutions license their programs to third-party online service providers.

25. **Statement** (page 21): “... processes for regular curricular oversight by the Tiffin and AU/Ivy Bridge faculty of the AU/Ivy Bridge academic programs had not been institutionalized and conducted on a regular basis.....”

Response: As shown in Attachment E, each Ivy Bridge course is evaluated on a regular basis and a schedule is set for improvements.

26. **Statement** (page 24): “the attitude of AU/Ivy Bridge is best summed up by its Campus Executive Officer in blaming the low retention rate on the low quality of students.”

Response: The person who was serving as Campus Executive Officer during the visit by the Fact-Finding team has said that she did not make the statement quoted above and that her comment to the team was that one of the reasons that the retention rate is not higher is that academic standards and grading practices are maintained at a high level because most of the students plan to transfer into bachelor’s degree programs at institutions throughout the U.S. and that TU is committed to making sure that students who earn our associate’s degrees are prepared to succeed once they transfer to other colleges and universities. However, it is also true that many of the students who enroll in TU’s online associate’s degree programs are similar to community

college students throughout the nation, so retention rates should be compared to those for community college students.

27. **Statement** (page 26): “The Tiffin Board has no mechanism to exercise governance effectively over AU/Ivy Bridge.”

Response: It is quite extraordinary to say that the TU Board cannot exercise governance over one of its colleges. In fact it has direct and complete authority over Ivy Bridge College. With respect to AU, LLC, the TU Board of Trustees has a committee to provide oversight of the University’s participation in AU, LLC and the trustee who chairs this committee serves with the TU President as voting members of the five-person AU, LLC Board of Managers. Meetings of the TU Board committee normally include presentations about the operations of AU, LLC by the Campus Executive Officer, as well as by the President, Vice President for Academic Affairs, and Vice President for Finance and Administration of TU. Committee meetings have also included presentations by the CEO of Altius Education. The Chair of the TU Board committee makes a presentation at each meeting of the full TU Board of Trustees in order to keep all trustees informed, and the full Board has taken a number of formal actions related to its ownership interest in and joint governance of AU, LLC.

28. **Statement** (page 26): “While the Campus Executive Officer was interviewed by the Tiffin president prior to her employment, she was handpicked by the President of AE for this role.”

Response: The TU President interviewed and appointed the Campus Executive Officer after contacting her references and receiving feedback from Ivy Bridge personnel who interviewed her. This individual had previous professional contacts with TU’s Vice President for Enrollment Management, so the TU President was aware of her positive reputation. Before making the offer of employment, the TU President also consulted with the President of AE about this selection because of the importance of the position to the partnership that Tiffin has with AE. The TU President has had sole supervisory responsibility over the Campus Executive Officer position, although this position has now been eliminated.

29. **Statement** (page 27): “There has been inadequate effort to improve the poor retention rate at AU/Ivy Bridge.”

Response: As noted above, the retention rate for Ivy Bridge College students is demonstrably better than that of similar populations being served by the community colleges of the State of Ohio all of which are accredited in good standing by HLC. TU has continuously taken actions to assist students in the Ivy Bridge College program to persist in their studies. Those actions include, additional requirements to the admission process (College Readiness Assessment, transcripts of previous academic work, etc.) and other special efforts have been implemented that have resulted in better retention rates.

30. **Statement** (page 27): “Finally, the structure and voting provisions outlined in the Joint Venture and related agreements clearly place control over the joint venture with AE. Therefore, the experience of Tiffin in higher education is of little or no value in demonstrating the appropriate expertise expected in this venture.”

Response: The legal documents used to create the joint venture clearly specify that TU has absolute and plenary control over the functions that must be handled by the accredited institution. What is remarkable is that TU also has substantial control over many aspects of the AU, LLC governance with board positions, equity interests and super-majority voting rights. This is a world apart from the relationship that hundreds of HLC accredited institutions have with their third-party bundled services providers in which no governance, board positions or equity interests are obtained.

31. **Statement** (page 28): “While the Campus Executive Officer of AU/IBC nominally reports to the TU President, she is clearly part of the AE team and is reported on AE’s website as part of that team.”

Response: As with the other TU senior administrators, the position of Campus Executive Officer reported to the TU President, held an individual meeting each week with the President, and attended meetings of the President’s Cabinet and of the TU Board of Trustees. The fact that she supervised many of the employees of the joint venture in addition to her supervision of TU employees actually provided TU with more control of the non-TU employees than is the case for many institutions that outsource certain functions to third-party service providers. The 2010 report of the HLC evaluation team included the statement that “The CEO and center director are effective administrators who are thoroughly involved in advancing the mission of Ivy Bridge and the entire Tiffin University”. While we believe that this administrative structure was appropriate, the position of Campus Executive Officer has been eliminated now that the original plan to seek independent accreditation will not be pursued. The Dean for online associate’s degree programs now reports directly to the TU Vice President for Academic Affairs and the Director of Registration and Student Financial Services now reports to the appropriate administrators on the main campus for registrar and financial aid responsibilities.

32. **Statement** (page 29): “Clearly the student services and academic programs are different than what students would find on the main campus or at other Tiffin facilities.”

Response: While the TU Faculty and academic administrators assure that the quality and outcomes for all TU degree programs are equally high, the student services and course delivery systems are different for undergraduates on the main campus, online and seated master’s degree students, online and seated bachelor’s degree students, and online and seated associate’s degree students. Because students in our associate’s degree programs require more assistance, they generally receive more support from tutors, success coaches, and academic

advisors in comparison with our other student types. This service distinction demonstrates an elevated service commitment to meet the unique needs of this student population.

33. **Statement** (Page 28): "Tiffin has not demonstrated that the institution's mission, student body, faculty and educational programs are appropriately extended through the joint venture; in fact, it appears that the AU/Ivy Bridge student body, faculty and educational programs are not at all like the structures on the Tiffin campus."

Response: Offering online associate's degree programs to an underserved population fits exactly with the mission of "access and opportunity" that TU has effectively carried out since 1888. The 2010 report by the HLC evaluation team noted that "Tiffin's Ivy Bridge partnership and its European alliances are clear examples of using external relationships to further the mission of the University."

Since the students are enrolled in online associate's degree programs, they are obviously somewhat different compared with our students who are enrolled in bachelor's degree programs on the Tiffin campus and those who are enrolled in our online and seated master's degree programs and our online and seated bachelor's degree completion programs. This is no different than the widely divergent populations of students that attend different schools and colleges on comprehensive university campuses throughout the U.S. Because each of these student types has unique needs and expectations, our course delivery systems and student support services are designed specifically for each group. However, the academic oversight and assessment of outcomes are consistently provided by our Faculty and academic administrators to assure that the quality of a TU degree is equally high for every type of degree program and every type of delivery methodology.

The students are TU students who are enrolled in programs leading to TU degrees that are taught by TU faculty members. The selection, supervision, and evaluation processes for the full-time and adjunct faculty members are the same as for all other TU faculty members and the full-time faculty members participate in monthly Faculty meetings and on Faculty committees and are treated in every respect the same as other full-time faculty members. New academic programs and curriculum changes must be approved by the Faculty Curriculum Committee and the full Faculty in the same manner as other academic program proposals.

The only difference that participating in the AU, LLC relationship has made for TU is that the additional financial resources and expertise provided by Altius Education have allowed TU to create very high-quality student support services and online courses and to expand the enrollment more quickly than would have been possible with our own financial and personnel resources. As a result, we have been able to more effectively accomplish our mission of providing access and opportunity to quality academic programs.

While the existing situation is perfectly acceptable for the reasons stated above, TU and Altius Education have decided to discontinue the original plan to seek independent accreditation for Ivy Bridge College. Also, the Dean for online associate's degree programs now reports directly to the TU Vice President for Academic Affairs and the Director of Registration and Student Financial Services now reports directly to the appropriate administrators on the main campus. As a result, the concerns expressed in the HLC report are no longer germane.

34. **Statement** (page 29): "This significant non-compliance indicates large-scale issues with the quality of the AU/Ivy Bridge academic operations and resources and with Tiffin's oversight of them."

Response: The report of the HLC evaluation team in 2010 indicated no concerns with the academic quality or with TU's oversight, and HLC extended TU's accreditation through 2020 without any mention of problems with our administration of Ivy Bridge College or the AU, LLC relationship. The 2010 report of the HLC evaluation team included a number of positive comments, including the observation that "Ivy Bridge delivers quality education to a relatively underserved population". Since 2010, the financial and personnel resources devoted to our online associate's degree programs have increased, the quality of the academic experience for students has increased as the courses have been upgraded by instructional designers and faculty members, and oversight has remained totally under the control of TU.

35. **Statement** (page 29): "Tiffin has also not demonstrated that the investors who effectively operate the joint venture have significant experience or expertise running an accredited institution or a component thereof. While Tiffin has experienced and capable Board members and administrators, those individuals have nominal authority over AU/Ivy Bridge academics and operations. "

Response: As discussed above, the academic management of the Ivy Bridge College programs is exclusively under the control of TU and its board of trustees and administrators. With respect to Altius Education, Mr. Paul Freedman, who is the CEO of Altius Education, has extensive experience and expertise in enrollment management and some of the other services that are provided by AU, LLC and that are not required to be handled by an accredited institution. However, he has a long history of working with higher education institutions in the U.S. and has an extensive record of family members serving as administrators and professors at some of the leading research universities in the U.S. However, the experience and expertise for him and the other investors in running an accredited institution or a component thereof is not relevant because TU employees, all of whom ultimately report to the President of TU who reports to the TU Board of Trustees, are totally responsible for all aspects of the academic program, tutoring and library services, and the financial aid, bursar, and registrar functions because these responsibilities must be under the control of the accredited institution. The arrangement is similar to those colleges and universities who have outsourced certain support functions to

third-party service providers that have expertise in marketing, student recruitment, technology management, etc.

36. **Statement** (page 29): “Finally, staff members note their concern with the apparent sale of accreditation to another entity”.

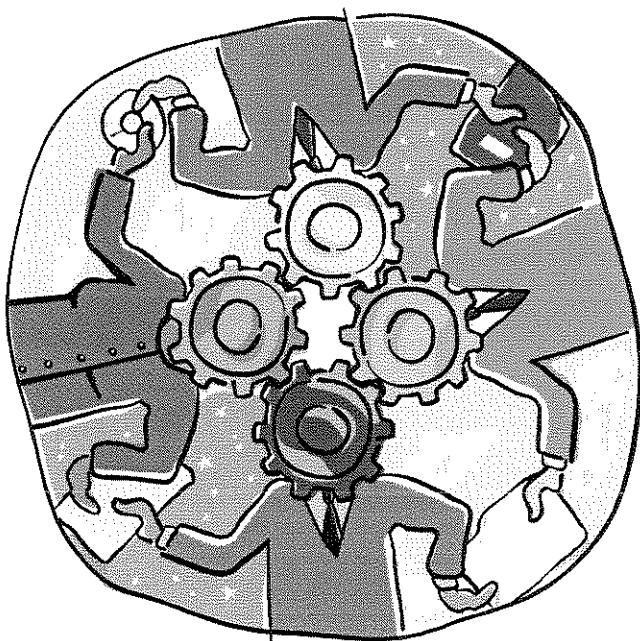
Response: Tiffin has not sold its accreditation. Tiffin University owns and controls Ivy Bridge College and all of its programs and operations. As an accredited university, it contracted with an organization that provided significant financial resources and expertise to help our faculty members transform our existing courses into very high quality online courses and to help us market the programs and recruit students in order to build the enrollment to a cost-effective level. As with other institutions that have been approved by accrediting agencies to contract with third-party service providers, our partner expected and deserved some financial return on its investment. It was proposed that at some point in time, with the approval of HLC, and subsequently WASC, that the Ivy Bridge College division would be separated to form an independent college. It was not intended that such a separation would occur at this time. However, after having told the staff that we did not believe that a change of control was appropriate at this time, we were advised by HLC staff to file the change of control document that led to the review that is addressed in the subject report anyway and propose a change of control.

ATTACHMENT A



Ivy Bridge College Curriculum Design

Course Development Process



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Ivy Bridge College Curriculum Design

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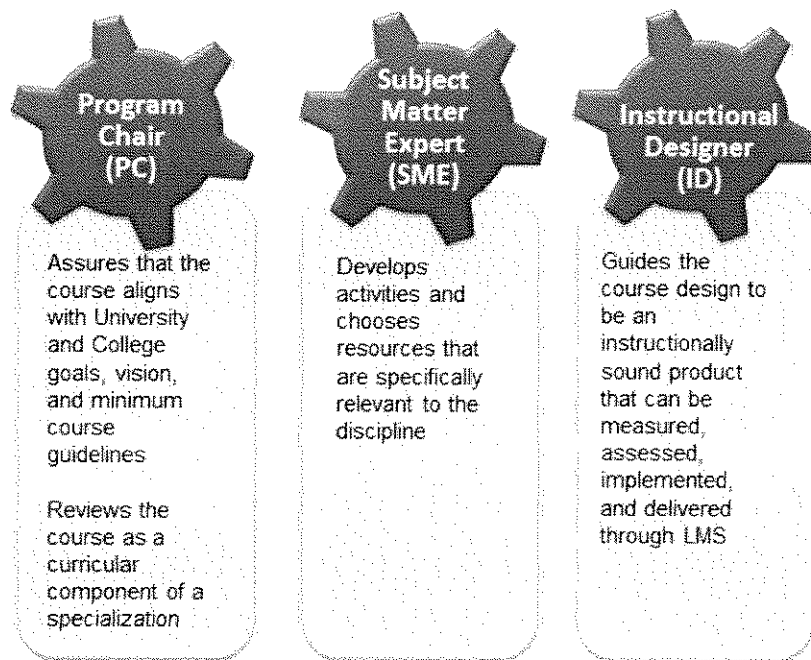
Ivy Bridge College Curriculum Design

Course Development and Revision

Function

The Curriculum Design Team at Ivy Bridge College supports faculty in the development of new courses and revision of existing courses. The instructional designers (IDs) collaborate with the program chairs and subject matter experts (SMEs) to integrate the vision of the school into the curriculum, provide sound instruction, and implement strong course design.

Roles



Minimum Course Guidelines (MCG)

Minimum course guidelines focus the curriculum so there is consistency with the main campus for program-level assessment. The MCG notes topics to be covered (required) as well as suggested course learning outcomes and assessments (can be modified).

Ivy Bridge College Curriculum Design

Course Development and Revision

Process

1. Program Chairs (PCs) determine which course(s) will be developed/revised based upon program review, instructor and/or student feedback, content concerns, and/or textbook issues/updates.
2. PCs rank their existing course priorities for development/revision with notations about specific concerns or requests (technical issues, out-of-date content, etc.).
3. PCs review the credentials of potential Subject Matter Experts (SMEs), contact SME to ascertain his/her availability and interest, negotiates the deliverables, timeframe, and payment, and notifies Faculty Services to issue a contract.
4. The Instructional Designer (ID) receives course development/revision request and name of SME from PC.
5. For a new development, the ID compiles templates and shares with SME and PC.
6. For a revision, the ID copies the current content out of LMS and into new Word templates (or retrieves most recent revision from SugarSync) and makes an initial assessment of the learning outcomes and activities. The ID notes any missing information that results from converting to the new format and makes suggestions regarding instruction and design. The ID then sends the documents and the minimum course guidelines to the SME and PC.
7. ID holds kick-off call with SME and PC. Review roles, responsibilities, and timelines. Define vision for the course. Discuss resources (may require selection of new textbook). Review course development guidelines. Brainstorm instructional strategies for content delivery. Consider media resources.
8. If a new textbook is selected, ID notifies ID in charge of textbooks, and that ID notifies Bookstore Manager, Faculty Services, and Tutors (see Textbook Process Flowchart).
9. For new development, SME uses template to outline course content.
10. For revisions, SME make notations on Word drafts that were sent with the existing content (unless that content needs to be completely discarded, in which case the course would be like a new development) to address noted issues and convert the content to the new format.
11. Word drafts are exchanged until course content is finalized (approved by SME).
12. The ID sends the content to the PC for approval; the PC will notify the ID of approval or changes. If there are changes, go through steps 10-12 again until PC approves.
13. The ID will send the final approved documents to LMS (via SugarSync).
14. The ID will notify Faculty Services that the course is complete (to initiate payment).

Ivy Bridge College Curriculum Design

Course Development and Revision

Course Design: Standard Component – Getting Started Quiz

Each course will include a Getting Started Quiz. The quiz has ten (10) questions.

- 5 questions based on general university content located in Online Basics and University Policies (these have already been developed)
- 5 questions that are course-specific and based on information located in the course syllabus (these need to be developed by the subject matter expert).

The quiz is due on Day 1.

Examples of Course-Specific Questions (from ENG100)

1. To demonstrate mastery on a MySkillsLab learning module, students must do the following:
 - a. Successfully complete the relevant sections in the diagnostic pre-tests
 - b. Earn at least 75% on Practice and Recall exercises
 - c. Earn at least 75% on Test and Apply exercises
 - d. All of the above (**correct**)
2. After students read assigned essays, they must do the following:
 - a. Write a short essay
 - b. Write a journal entry
 - c. Complete a reading quiz (**correct**)
 - d. Do nothing

Getting Started Quiz

Getting Started Quiz

The links under the **Course Information** area as well as those under **Menu** in the left navigation area of the Moodle Home page contain vital information about the course and University requirements, policies, and procedures. Review the following resources:

- Course Policies
- Online Learning Basics
- How to Access TU Email
- Instructor Information
- Late Policy
- Course Syllabus
- Course Calendar
- Rubrics

Reviewing this information at the beginning of each term will help you prepare for the requirements of each course. While much of the information may be the same, some courses have a different set of rubrics, different late policy, or different due dates for assignments. Find out this information early on so that you can plan your time accordingly.

Completing This Task

1. Take the quiz by clicking on the **Attempt quiz now** button below.
2. After completing all the questions, click on **Submit all and finish** to submit the quiz for grading. If you need to save your answers and return to the quiz at a

Important Note:

The Getting Started Quiz is **graded**. Please note **10 points** in Week 1 on the points chart in the syllabus.

Ivy Bridge College Curriculum Design

Course Development and Revision

Course Design: Standard Component – Introductory Discussion

Each course will include an Introductory Discussion where students introduce themselves and discuss their background, interests, previous experience, etc. The wording is standard but can be customized with added language to fit a particular subject area.

The initial post is due on Day 1.

Important Note:
The Introductory Discussion
is **not graded**. Please note
n/a in Week 1 on the points
chart in the syllabus.

Example 1: Standard Wording

Welcome to HIS112!

Please introduce yourself to the class. You might talk about your family background, how far you have gone in school, and if you have had any previous college experience. What do you do for a living? Do you have children? What are your feelings about taking this course? What are your future goals educationally, career and family?

This is a great way to learn and share more about each other as we begin this class together. Also, feel free to attach a picture of yourself.

Example 2: With Customization

Welcome to MGT131!

Please introduce yourself to the class. Share with other students a little about yourself. You might talk about your family background, how far you have gone in school, and if you have had any previous college experience. What do you do for a living? Do you have children? What are your feelings about taking this course? What are your future goals educationally, career and family?

Are you currently employed in human resources? What are your human resources aspirations?

This is a great way to learn and share more about each other as we begin this class together. Also, feel free to attach a picture of yourself.

Ivy Bridge College Curriculum Design

Course Development and Revision

Course Design: Designing Backwards

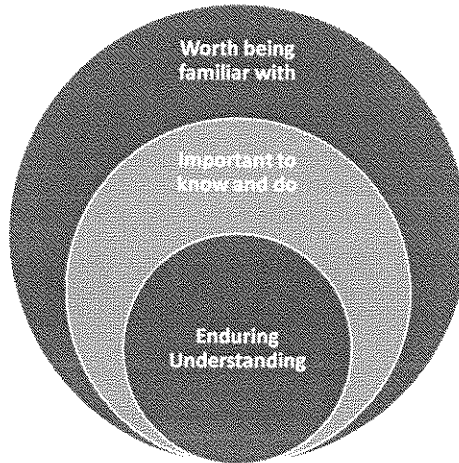
Instructors are sometimes tempted to allow the textbook to dictate the shape and direction of the course. Instead of focusing on the readings and allowing the textbook(s) or activities to control the development of course content, design backwards by following these steps developed by Grant Wiggins and Jay McTighe, authors of *Understanding by Design* (2005):

1. Identify your desired results for a class. What are the course learning outcomes?
2. Determine what would count as evidence that your students did or did not reach those results. What assessment would show that learning happened?
3. Design your learning experience around your desired results and evidence.

Learning Outcomes

Wiggins and McTighe suggest prioritizing learning goals by using three categories:

- **Worth being familiar with** – broad-brush, big-picture knowledge; contextual knowledge
- **Important to know and do** – prerequisites for mastering the material
- **Enduring understanding** – the fundamental ideas you want to students to remember long term

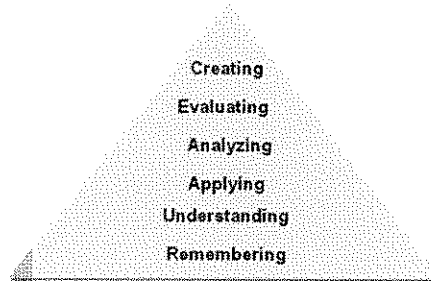


Source:
<http://chronicle.com/blogs/profhacker/teaching-for-enduring-understanding/35243>

Writing Learning Outcomes

When writing learning outcomes, think about what you want students to be able to do in order to demonstrate learning in the course.

- ✓ Learning outcomes must be stated in **observable** and **measurable** terms.
- ✓ Include a range of levels (amount of higher levels will depend on the course level itself).



Practice Writing Outcomes

Example:

Develop an awareness and understanding of works of art, their stylistic period, and their historical significance.

Although "understanding" is a level on Bloom's Taxonomy, the outcome, as written, does not indicate what that understanding looks like. Do we want students to explain something, or do we want students to move to a higher level and analyze?

Example Revised:

Analyze works of art, their stylistic period, and their historical significance.

The revised outcome is now more **specific, observable, and measurable**.

See the charts on the next page for more examples of outcomes and categories of verbs. **Avoid** general terms/phrases such as **discuss, understand, demonstrate knowledge of**, etc. Remember to focus on what you want students to be able to do. Also, avoid product-specific outcomes, such as, "Create an outline."

Limit Outcomes

Limit outcomes to a maximum of 7 per course:

- 1-3 per discussion
- 1-4 per assignment
- Course project should address most, if not all, of the outcomes.

Index Outcomes

Each outcome must be indexed at least once in the course activities. Assessment of outcomes should be **balanced**, meaning do not focus on one or two outcomes too heavily or too sparsely.

Ivy Bridge College Curriculum Design

Course Development and Revision

Bloom's Taxonomy Action Verbs

Bloom's Level	Examples
Remembering: Recall data or information.	Recite a policy. Quote prices from memory to a customer. List the safety rules.
Understanding: Understand the meaning, translation, interpolation, and interpretation of instructions and problems. State a problem in one's own words.	Rewrite the principles of test writing. Explain in one's own words the steps for performing a complex task. Translate an equation into a computer spreadsheet.
Applying: Use a concept in a new situation or unprompted use of an abstraction. Apply what was learned in the classroom into novel situations in the work place.	Utilize a manual to calculate an employee's vacation time. Apply laws of statistics to evaluate the reliability of a written test.
Analyzing: Separate material or concepts into component parts so that its organizational structure may be understood. Distinguish between facts and inferences.	Analyze existing problems in the federal, state, and local public policy approval processes. Determine logical fallacies in reasoning.
Evaluating: Make judgments about the value of ideas or materials.	Select the most effective solution. Justify a new budget.
Creating: Build a structure or pattern from diverse elements. Put parts together to form a whole with emphasis on creating a new meaning or structure.	Integrate training from several sources to solve a problem. Revise a process to improve the outcome.

Remembering	Understanding	Applying	Analyzing	Evaluating	Creating
Cite Collect Define Describe Duplicate Enumerate Identify Label List Match Memorize Name Quote Read Recall Repeat Reproduce Retell State Tell	Alter Ask Associate Classify Confirm Convert Depict Explain Extend Generalize Give examples Group Indicate Locate Order Outline Paraphrase Recognize Rephrase Report Represent Research Review Substitute Summarize Trace Translate	Administer Apply Calculate Change Chart Collect Compute Contribute Demonstrate Direct Discover Employ Establish Examine Illustrate Implement Interpret Manipulate Model Modify Operate Practice Prepare Present Produce Solve Test Transfer Transform Utilize	Advertise Analyze Break down Categorize Classify Compare Conclude Connect Contrast Correlate Deconstruct Deduce Determine Diagram Differentiate Discriminate Distinguish Divide Infer Investigate Organize Plan Prioritize Question Reduce Separate	Argue Assess Attach Choose Consider Convince Criticize Critique Debate Decide Defend Editorialize Estimate Evaluate Grade Justify Measure Persuade Rank Rate Recommend Reframe Reinforce Score Select Support Value Weigh	Adapt Assemble Combine Compile Compose Construct Create Design Devise Develop Facilitate Formulate Generate Hypothesize Individualize Integrate Invent Modify Negotiate Plan Predict Propose Reconstruct Reorganize Revise Schematize Speculate Structure Theorize Validate

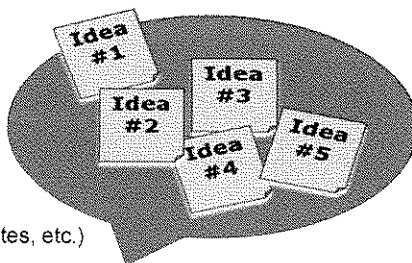
Ivy Bridge College Curriculum Design

Course Development and Revision

Course Design: Course Content Outline

Using the syllabus template, organize and outline the content for the course. As you think about the topics and content to be covered, consider the following:

- Foundational knowledge in the discipline
- Current trends and research
- Professional standards



Refer to the following resources for course development:

- Course description
- Textbook headings
- Former course
- Additional resources (e.g. library, professional websites, etc.)

Example Outline (Week 1 from Syllabus)

Course Content:

WEEK 1				
Course	History of sport management			
Topics	Management principles applied to sport management			
Resources				
Read/Review				Approx. Time
Textbook, Lectures, and Other Resources	Chapter(s) 1, 2			2.00 hrs.
	Lecture 1			0.25 hrs.
	See individual activities/weekly Resources link for additional resources.			0.50 hrs.
Activities				
Activity Type	Course Learning Outcomes	Due	Approx. Time	
Getting Started Quiz	CLO(s): n/a	Day 1	0.75 hrs.	
Introductory Discussion	CLO(s): n/a	Day 1	0.75 hrs.	
Discussion 1	CLO(s): 1	Day 2	1.50 hrs.	
Discussion 2	CLO(s): 2	Day 5	1.50 hrs.	
Quiz	CLO(s): 1, 2	Day 4	1.00 hr.	
Assignment 1	CLO(s): 2	Day 5	4.50 hrs.	
Assignment 2	CLO(s): 2, 5, 6, 7	Day 7	4.50 hrs.	
Approximate Weekly Time on Task (includes readings and activities)				17.25 hrs.

Important Note:

Estimate time on task for all readings and activities using the Credit Hour Matrix

Requirements (7-week term)

- Maximum of 7 learning outcomes
- 7-10 course topics
- 2 lectures per week (see **Lecture Guidelines**)
- 2 discussion prompts per week (see **How to Develop Discussion Prompts**)
- At least 1 assignment per week (see **Assignments Other Than Discussions**)
- 1 course project (recommended) – due the last week of the course
- At least 40 pages of reading per week (including textbook, lectures, and other resources)
- At least 20 pages of writing per term



Important Note: To fulfill credit hour requirements for a 3-hour course, the Department of Education mandates that students spend **at least 90 hours** on work inside and outside of the course room. For a 7-week term, this equates to approximately **13 hours minimum per week** on readings, discussions, assignments, so consider the time involved as you plan activities.

Ivy Bridge College Curriculum Design

Course Development and Revision

Lecture Guidelines

Weekly lectures are an important learning component in Ivy Bridge College courses because they are designed to **extend** and **augment** the information and viewpoints presented in the course textbook(s).

Comment [BZ1]: Need to redo based on recent discussions



Weekly lectures are not summaries of the assigned readings in the textbooks.

Rather, Subject Matter Experts (SMEs) should compose lectures as original writings that place the week's topics in an authentic context and often provide a real-life connection and application to the professional environment. For example, a lecture on criminal justice forensic processes might refer to a well-known court case in the news, and explore and evaluate the issues and handling processes that might influence the lawful use of forensic evidence in court. SMEs are hired for their specific expertise on a topic and the lectures offer an opportunity for the SME to bring these topics to life for students. Therefore, a conversational style is recommended, and lectures should not reproduce textbook material or directly quote other course sources. Citations are permissible, but should not exceed two (2) per lecture. Since the course final project is designed to be a culminating learning experience for the course, there is a linkage between the lecture concepts and the final project

Lectures are written with an introduction, body, and conclusion. The introduction introduces the lecture topics, explains their importance in the discipline, and places them in an authentic context. The body of the lecture fully explores the concepts through the use of definitions, examples, and analyses. The conclusion is more than just a summary of the lecture; it should bring closure to the essay by discussing the broader implications of the topic – setting the topic in a larger context. The student should have a sense that the lecture had come to an end, but that there is still more to learn about the topic.

All lectures are contracted under the following guidelines:

- 2 lectures per week (total of 14)
- Each lecture is numbered and titled (Lecture 1: Title)
- Each lecture has 750-900 words
- Video/audio lectures should be no more than 5 minutes in length (include text version for students with disabilities)

Ivy Bridge College Curriculum Design

Course Development and Revision

How to Develop Prompts for Discussion Forums

To ensure that students have the appropriate direction for all discussion forum prompts, please review the following guidelines and examples.

Wording

Accurate, specific, and clear wording is important as it should lead the student to demonstrate mastery of the outcome(s) associated with the discussion. Also, students will need to be able to respond to one another – at least two postings per student. Hence, a closed, definite-answer type of question/prompt may not lead to the social interaction and social learning that would best benefit students.

Example

Students must demonstrate mastery of the following outcome:

Analyze works of art, their stylistic period, and their art historical significance.

Now let's look at some prompts and see if they are appropriate in terms of measuring mastery of the outcome, if the instruction is clear enough to guide the student, and if the prompt is open-ended enough to encourage interaction.

Weak

The following prompt would elicit a limited response from students:

Identify the leading artists of French Impressionism.

A student's response may list the major, well-known artists, such as Monet, Renoir, Pissarro, and Sisley. However, the prompt does not naturally lead the student to an analysis of the works, the period, or the significance of the works. The student might think, "OK, I have identified the artists. I'm done." However, the student has not demonstrated mastery of the outcome. The prompt is clear, but is that all we really want the student to say? No, we want an analysis.

Additionally, the prompt does not encourage discussion among students. Some may identify other artists, but what would students say to each other? "Yes, I agree," or "No, Van Gogh was a Post-Impressionist not an Impressionist." How would they have a discussion? There is the opportunity for students to debate whether some artists are strictly Impressionists or are associated with another style, or whether American expatriates count as French Impressionists or as American Impressionists or neither; however, the prompt, as it stands, does not guide students to any further discussion.

Better

The following prompt expands the idea above:

Analyze the various styles of artists associated with the French Impressionist movement.

This is a broad prompt that starts with a higher-level thinking verb, "analyze." The student is better directed to show mastery of the learning outcome as the expectation of the prompt is set at the analysis level. However, the prompt may need clarity. More focus in the prompt may help students dig deeper into one or two artists/works instead of a cursory look at various artists/works.

In terms of interaction, there is more opportunity for students to build off of each other's postings. There can be a great deal to say about an artist's style/work, so students can add to each other's ideas in various ways (formal analysis as it relates to the movement, or the

significance of the work, which could span beyond that time period or can relate to other mediums, such as sculpture, photography, etc.).

Even Better

The following prompt is an opinion-based question that requires students to use what they have learned to support their assertion:

Consider the artists associated with the French Impressionist movement (This can include American expatriates). Select one artist whose style deviates (either a little or a lot) from the typical Impressionist style (or what most general sources define as Impressionist). This stylistic difference does not need to be reflected in the entirety of the artist's work; it can be a change that occurs at the end of his/her life, for example. In what ways are his/her works influenced by another style(s)? Provide one or two works as examples to make your point. What is the significance of the differences? In light of the differences, why do you think the artist is still grouped with the Impressionists?

The prompt requires an analysis of the artworks and styles of painters tied to a specific movement and the variations within that movement, including influences of preceding or concurrent movements. The student will make a determination about how an artist fits into the Impressionist movement by analyzing the style of his/her work.

Additionally, the prompt requires opinions to be backed by research and/or observation. In order to respond to one another, students will have to look up the artists/artworks discussed by their peers and make their own observations, which will lead to agreement or disagreement with the initial posting.

Remember: Avoid a closed, definite-answer type of question/prompt for discussions.

Providing an Introduction or Rationale

Now that we have finalized our prompt, let's draft an introduction to the assignment. The introduction can link the readings to the assignment and provide a rationale for the assignment.

Why a rationale? A student may be thinking, "Who cares how we categorize art? Does that even matter?" Well, it matters to art historians, but why should it matter to anyone else? Adult learners need to know the reason they are learning something, why an assignment is worthwhile, and how it matters to them. By allowing an element of choice in the prompt an aspect of relevancy is fulfilled: students select an artist they want to discuss.

To make further connections, let's start the introduction with the idea of categorization:

You may be familiar with chunking information (putting numbers/items in groups) to help you remember things, such as phone numbers or items on a grocery list. The grocery store itself is organized by categories: frozen foods, meats, produce, etc. Grouping and categorizing are a part of our everyday lives, helping us function more efficiently. Categorization is an important aspect of art history, as well, helping us understand how groups of artists influenced each other and generations after them; however, such groupings are not always static or easily defined (as in the grocery store where some food item are not in their expected location but under an ethnic section or next to an item with which it is eaten). Many artists are associated with more than one movement (Paul Gauguin, for example) or demonstrate influences from other movements.

Consider the artists associated with the French Impressionist movement (this can include American expatriates). Select one artist whose style deviates (either a little or a lot) from the typical Impressionist style (or what most general sources define as Impressionist). This stylistic difference does not need to be reflected in the entirety of the artist's work; it can be a change that occurs at the end of his/her life, for example. In what ways are his/her works influenced by another style(s)? Provide one or two works as examples to make your point. What is the significance of the differences? In light of the differences, why do you think the artist is still grouped with the Impressionists?

Ivy Bridge College Curriculum Design

Course Development and Revision

Parts of a Discussion Prompt

Discussion prompts should have the following components:

- Introduction or rationale
- Initial Post prompt
- Secondary Post prompt

Example:

Controversies in Public Art

Walking around any city or even a small town, you will come across some form of public art, whether it's a memorial to local men/women who served in the military or national memorial to fallen soldiers or a memorial to commemorate an event (e.g. at Kent State) or some abstract piece meant for merely aesthetic appreciation, etc. Some public artworks are so innocuous that they go unnoticed by visitors and locals alike. Other works stir up controversies that cause emotions to boil over and pit community members against each other.

Initial Post

Consider either Richard Serra's *Tilted Arc* or Maya Lin's Vietnam Veterans Memorial. State your position on **one** of these works and the controversies that developed. Where do you stand – for or against the works...or somewhere in the middle? Defend your position with specific comments about at least two of the following issues that these works bring up:

- the value of public art
- freedom of expression
- aesthetics
- consensus
- ownership
- politics

Secondary Posts

In your responses to others, consider the viewpoint of your classmates. For those who had opinions similar to yours, have they supported their argument with valid points? What can be added? For those who had opinions that were different from yours, have they swayed your opinions? Based on their responses, what rebuttals can you make to try to sway them to your point of view?

Intro or Rationale:

This should place the discussion in a context that would be relevant to the student or helps the student understand the importance of the topic for discussion. Real-world connections are preferable.

Initial Post:

Provide clear, detailed instructions or prompts. Prompts should be open-ended in order to generate a natural discussion with classmates.

Secondary Post:

Instructions should be specific to the initial post and should guide students in how they should respond to peers; provide alternatives and/or various questions to cover possible scenarios that may result from the initial post.

Ivy Bridge College Curriculum Design

Course Development and Revision

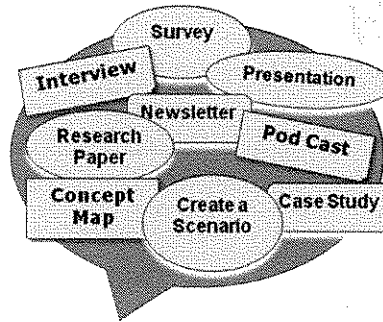
Assignments Other Than Discussions

All types of assignments should follow the guidelines noted for discussion prompts.

- Assignments should **align with assigned outcomes**. Make sure that the assignment level matches the outcome level (in terms of Bloom's Taxonomy).
- The wording should be **clear**.
- An **introduction or rationale** should put the assignment into a larger context and/or provide reasoning for why the assignment is valuable to the student.

Also, as appropriate, include the following:

- Critical thinking skills
- Scholarly exploration and research
- Real-life application
- Technology integration specific to the profession or discipline (See **Example Technology: Jing**)
- A **variety of learning products** that appeal to a range of learning styles
 - o While reinforcing writing skills through practice is essential, not every assignment needs to be a written response/essay. Consider the types of products that might be a natural part of the discipline/profession. Incorporate them when possible. (See **Example Assessment: Iconography Presentation**)
 - o Remember that the type of assignment you select should be purposeful. Think about how the learning product can aid in students achieving mastery of the learning outcomes.
- Tools, such as questionnaires, that can add levels to an assignment



Ivy Bridge College Curriculum Design

Course Development and Revision

Example Assessment: Iconography Presentation

Interpretation is part of our daily lives. We interpret road signs in order to navigate roads safely. We often interpret images such as the bald eagle or the American flag with consensus: they mean freedom. Colors, too, have their own symbolic quality; it's no wonder that stores are adorned with pink and red objects around Valentine's Day as these colors are associated with love and affection. Of course, red has other associations as well: blood, violence, hate, etc. It's a good thing our road signs don't carry such double meaning.

In art, alternative meanings do exist so symbols must be read carefully. Assuming a particular meaning may lead to an interpretation that was not intended by the artist. Researching the meaning of images takes time as one must consider the context in which the work was created. Did the symbols of today carry the same meaning hundreds of years ago? Such research is part of a curator's job at a museum.

For this assignment, you will play the role of an intern at an art museum. The curator of Renaissance and Baroque paintings has given you the task of preparing a presentation for high school students on the iconography of one artwork. The PowerPoint will be presented in the classroom as preparation for their tour of the Renaissance and Baroque art wing of the museum later in the week.

Select an artwork from the Renaissance or Baroque period (1400 – 1700 CE). DO NOT select a work that is discussed extensively in the book (see list of suggested artworks).

In your presentation, describe the following:

- Overall composition and subject
- Why it was painted or for what purposes
- Historical context
- At least 6 iconographical elements (e.g., object symbols, speaking symbols, symbolic compositional arrangement)

Presentation Requirements

- 8-12 slides (not including the references slide) with notes
- 25-50 words per slide (in notes area)
- At least 3 sources other than your textbook cited in APA format

This activity will be graded using the Project-Presentation Grading Rubric.

Learning Outcome(s): 3

3. Analyze the formal and iconographic aspects of artworks within their social and historical contexts.

Due Date: By midnight on Day 6

Ivy Bridge College Curriculum Design

Course Development and Revision

Example Assessment: Quiz

Quizzes help determine students' understanding of assigned readings or course topics. Often, quizzes are automatically graded in Moodle. Such quizzes provide immediate feedback for students but should not be overused as authentic assessments (real-world tasks, meaningful application, using creative and critical thinking) provide a more accurate picture of student learning.

Include the following information:

- Note duration of quiz (30 min., 1 hr., etc.).
- Indicate if repeats are allowed, and, if so, how many and what score will be entered in gradebook (highest, last taken).
- If the quiz is not auto-graded in Moodle, provide instructions for students on how to take it (e.g. copy and paste into a Word doc or located quiz in Doc Sharing and submit like an assignment).

ENG140 Introduction to Writing

Quiz

Writing Skills Quiz: Complete Sentences and Fragments

Take the following quiz on complete sentences and fragments.

Read the sentences. Label each numbered group of words as follows "S" if it is a complete sentence or "F" if it is a fragment. (1 point each)

Learning Outcome(s): 3, 7

3. Write coherent, grammatically correct sentences that make use of effective word choice and are expressed through a variety of sentence structures, including compound, complex, and compound-complex sentence patterns.
7. Demonstrate an understanding of the conventions of Standard English.

Due Date: By midnight on Day 4

Ivy Bridge College Curriculum Design

Course Development and Revision

Example Tool: Questionnaires

Questionnaires can be used, for example, in discussion forums. In the example below, students submit their answers and the third part of the prompt is based on the results of all responses.

SCS110 Foundations of Success

Introductory Discussion

Part 1: Welcome!

Welcome to the course! Please take the following questionnaire and review the results of your classmates before completing the rest of this discussion.

[Click here to access the questionnaire](#)

Part 2: Introduce Yourself

Please introduce yourself to the class. In your posting, share some information about yourself. What do you do for a living? What are your feelings about taking this course?

Also, feel free to attach a picture of yourself and discuss your career goals and/or future educational goals. This is a great way to learn and share more about each other as we begin this class together.

Part 3: Your Follow-up Postings

After reviewing the questionnaire results and your peers' postings, comment on any similarities or differences in your backgrounds.

Participation in this discussion forum is required. Your participation in this discussion forum includes an initial posting and then **at least two follow-up postings within the same week**. The quality of your follow-up postings is very important to keeping the conversation going. Since each person has a different background, please be respectful of each other's experiences, beliefs, and opinions.

Sample of questions.

Introductory Discussion Questionnaire

***1** How far have you gone in school?

☐ 12
☐ GED
☐ AA
☐ some college courses but no degree completed
☐ other

***2** Do you have children?

☐ Yes ☐ No

***3** Are you currently employed?

☐ Yes ☐ No

Ivy Bridge College Curriculum Design

Course Development and Revision

Example Technology: Jing

Jing is a free download allows you to capture screen images and video.

What Is the Benefit?

What is the benefit of using Jing as opposed to copying and pasting an image or a web link? The cool thing about Jing is that it allows you to highlight/edit the image you are copying and to add voice-over. One of the most beneficial features of using the voice-over feature in Jing is that it has the feel of being 'live' while still being accessible at any time. It is very user-friendly and can serve as a cost-efficient tool for students and faculty.

Possible Applications

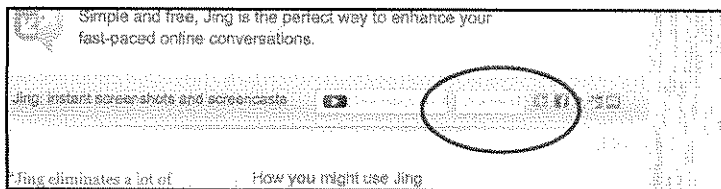
- Offer an explanation or point out specific details to enhance a photograph or painting using the editing features in Jing
- Help students navigate through a website
- Record video/lecture from YouTube or your own webcam
- Conduct group work together in real time
- Preview a document
- Post to Facebook/Twitter
- Conduct tutorials

Ivy Bridge College Curriculum Design

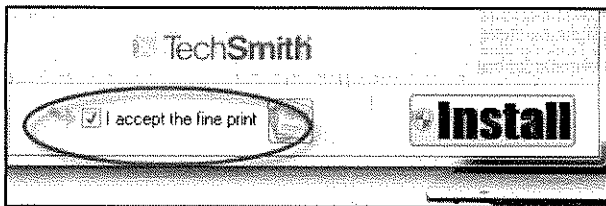
Course Development and Revision

Example Technology: Steps to Use Jing

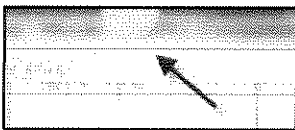
1. Go to the following website: <http://www.techsmith.com/jing/>.
2. Click **Download** on highlighted yellow bar on page.



3. You will be given the option to **Run** or **Save**. Click **Run**.
4. You will see a setup prompt. Click **I accept the fine print**.



5. Click **Install**.
6. You will then be asked, **Do you want to allow the following program to install software on this computer?** (Windows 7). Click **Yes**.
7. Click **Finish**.
8. Watch the following tutorial: <http://www.techsmith.com/learn/jing/>.
9. Click **Sign Up** at bottom of screen and follow prompts for signing up.
10. Once Jing has downloaded, you will see a tiny half sun near the top of your desktop. (You should see the big yellow circle appear immediately after download and float to the top of your screen where it becomes a half sun. You really have to look for it as it is easy to miss. It appears sort of faint until you click on it.)



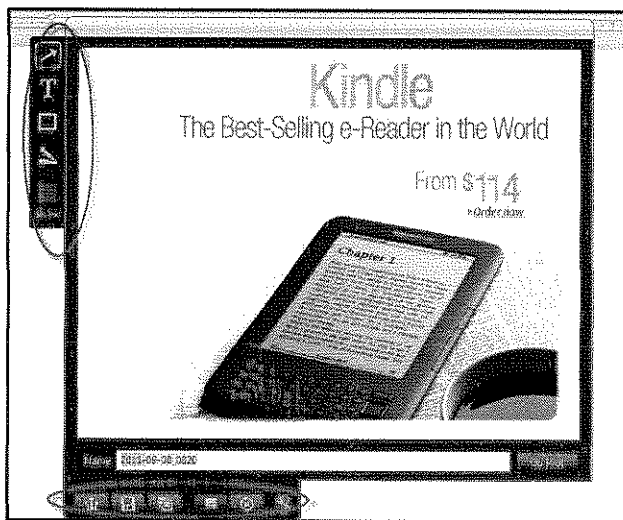
11. Once you click on the sun, three rays will appear. The first ray (on the left) is what you will use to capture your screen shots. The second ray will become a saved history repository.
12. Go to one of your favorite websites. Click on the sun, and then click on the first ray.

13. Once you click on it, you will see cross hairs appear on your screen. Drag the cross hairs around until as much of the screen is captured as you want. Or, you can click on the screen and drag and pull so that a certain area of the screen is displayed within a new box.
14. Once you have the image(s) you want selected, click on the first button.



When you hover over it, it reads **Capture image**. (Note: if you plan on using the voice-over feature, click on second button, which reads **Capture video**. If using this option, skip down to the next set of instructions).

15. Once you click **Capture image**, a new screen will appear with your screen capture. You will see a set of buttons running along the bottom and some editing tools on the right hand side of the box. The editing tools allow you to add an arrow, text box, frame, color, or highlight.



16. After you are done editing your image, click the button with the three arrows (along bottom row of buttons).
17. Once the upload is complete, a box will appear that says **Capture Sent**. Click on **Your capture has been sent and the link is ready to be pasted**.



18. Then copy the URL in the address bar.



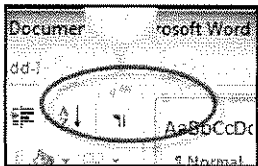
19. Go to wherever you want to paste the link (instant message chat box, Facebook, as a hyperlink in a word document, etc.) and click **Edit** and then **Paste**. Once students click on the link, they will be taken directly to your screen shot.

To include voice narration or capture a video, do the following:

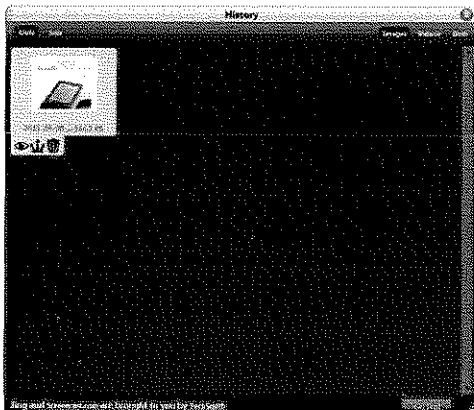
1. Click the sun.
2. Once the rays appear, click the first button that looks like cross hairs.
3. Drag the cross hairs around until as much of the screen is captured as you want. Or, you can click on the screen and drag and pull so that a certain area of the screen is displayed within a new box.
4. Next, click on the second button that reads **Capture video**. Once you do this you will see a filmstrip appear and the words **Mic On** with a 3-2-1 countdown. After the countdown, you can start recording from the built in computer mic.
5. When you are done recording click the **Stop** button.
6. A preview box should open to review your recording. If you are happy with the results, click the button with the three arrows (along bottom row of buttons).
7. Once the upload is complete, a box will appear that says **Capture Sent**. Click on **Your capture has been sent and the link is ready to be pasted**.
8. Go to wherever you want to paste the link (instant message chat box, Facebook, as a hyperlink in a word document, etc.) and click **Edit** and then **Paste**. Once your student/partner/colleague clicks on the link, they will be taken directly to your screen shot.

To retrieve previous captures, do the following:

1. Click the sun.
2. Once the rays appear, click the second button (History).



3. The History screen will appear with previous captures. Click on the capture you want. You can select to view, resend the capture (to obtain the link), or delete.



Ivy Bridge College Curriculum Design

Course Development and Revision

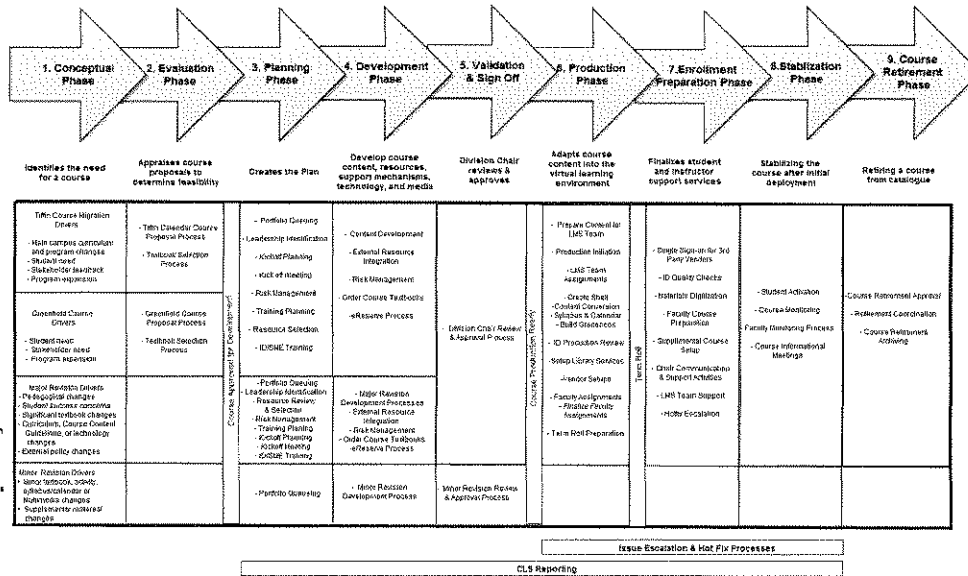
Checklist

Review the following checklist to ensure the course meets the standards set by IBC Curriculum Design Team.

- ✓ Getting Started Quiz developed.
- ✓ Introductory Discussion included.
- ✓ Learning outcomes are observable and measurable (limit 7 per course).
- ✓ Learning outcomes are tied to each assignment.
- ✓ Course topics are tied to each week (limit 7-10 per course).
- ✓ Lectures are not summaries of the readings; lectures provide new and valuable information about the course topics.
- ✓ There are 2 lectures per week.
- ✓ There are at least 40 pages of reading per week (including textbook, lectures, and other resources).
- ✓ Assignments and discussion forum postings add up to at least 20 pages of writing for the term.
- ✓ A rationale is provided for each assignment.
- ✓ Various learning products and tools are used as appropriate for the course.

CDDLc Process Framework

Course Development & Deployment Lifecycle (CDDLc)



ATTACHMENT B

IVY BRIDGE COLLEGE of TIFFIN UNIVERSITY

OUTCOME REVISION PROCESS

The following document outlines Ivy Bridge College's (IBC) revised General Education Learning Outcomes (GELO), as well as all revised Program Learning Outcomes (PLO) and the Major Learning Outcomes (MLO). The revision process occurred between September 1 and December 1, 2012. First, the existing Course Learning Outcomes (CLO) were analyzed to illustrate gaps in the relationships between CLO, PLO, and MLO. Second, academic leaders were assembled to analyze the gaps and revise the outcomes. Third, the revisions were shared with various stakeholders to revise and build consensus. Fourth, the outcomes were reviewed against nationally-recognized guidance on learning outcomes used for general education and community colleges. Finally, the revised outcomes were shared with executive leadership for final approval. These outcomes will not take effect until IBC transitions to Alhus University and is independent of Tiffin University.

BACKGROUND INFORMATION

The GELO, PLO, and MLO that were developed during this process reflect both current best practice in learning outcomes assessment and the offerings of Ivy Bridge College. In a study of general education learning outcomes, the National Institute for Learning Outcomes Assessment (2011), the most commonly cited themes in general education learning outcomes included: content knowledge and skill, communication, critical thinking, information literacy, and cultural appreciation. The IBC GELO and PLO do provide both specific and broad representation of the NILOA-identified outcome themes. For example, the IBC GELO has four themes (Written Communication, Critical Thinking, Quantitative Reasoning, and Information Literacy); three of which are specifically mentioned by NILOA. The fourth, Quantitative Reasoning, is very important to the curricular culture at IBC, and would be implied in content knowledge and skills theme. Also, quantitative reasoning is very prevalent in other institutional outcomes.

When comparing other institutions, there are numerous consistencies. A competitor in the southwestern states, Rio Salado College (AZ), assesses general education outcomes in the areas of communication, critical thinking, information literacy, and reading. A national leader in community college education, LaGuardia Community College (NY), assesses five general education outcomes: critical literacy, quantitative reasoning, oral communication, research and information literacy, and technological literacy. Finally, America's largest community college, Miami-Dade College (FL), with more than 57,000 students, assesses ten general education outcomes: communication, quantitative analysis, critical thinking, information literacy, diverse cultures, social responsibilities, ethical thinking, technology, esthetic and creative activities, and natural systems. Overall, the GELO currently proposed at IBC reflect the curriculum, specialized programs offered, and the mission of the institution. As new programs and needs emerge, the GELO will need to expand proportionately and thoughtfully.

Considering national reform agendas, the Lumina Foundation's Degree Qualification Profile (DQP) is considered a seminal publication for guiding the redesign and coherence of institutional offerings from Associates to Doctoral programs. The IBC outcomes revision process clearly aligns with the DQP, exhibiting complementary and supplemental alignments between GELO, PLO, and MLO. One area to consider for future improvement may include Civic Learning. Currently, IBC students are assessed on knowledge of civic principles including ethics; however, field work and advocacy are not required. This may be a logical extension of Bachelors and Masters offerings. The following table articulates the general alignment of GELO, PLO, and MLO to the DQP elements.

ALIGNMENT TO LUMINA FOUNDATION DEGREE QUALIFICATIONS PROFILE (DQP)

DQP Element (Associates)	IBC GELO	IBC PLO	IBC MLO
<i>Specialized Knowledge</i>			
Describes the scope and principal features of the field of study, citing core theories and practices, and offers a similar explication of a related field.	CT 1; QR 1	AAGS 1, 2; ABA 2, 4	ACC 1; BUS 1; HCA 2, 3; SRM 2; COR 1; HLS 1; LAW 1
Illustrates the field's current terminology.	CT 1; QR 1; IL 3	AAGS 1, 2; ABA 2, 4; ACJ 4, 5	ACC 1, 2; CIT 2; HCA 1, 3
Generates substantially error-free products exhibits, or performances in the field.	WC 1-3	ABA 1	ACC 2, 3; CIT 1
<i>Broad, Integrative Knowledge</i>			
Describes how existing knowledge or practice is advanced, tested and revised.	CT 1; QR 2; IL 3		CIT 2
Describes and examines perspectives on key debates within the field and in society.	CT 2	AAGS 3; ABA 2, 4; ACJ 1-4	BUS 1; HCA 2, 3; SRM 1, 3; COR 1; HLS 1; LAW 1
Illustrates core concepts of the field while executing analytical, practical or creative tasks.	WC 3; QR 1	AAGS 2; ABA 2, 4; ACJ 2, 5	ACC 1, 2; BUS 1; CIT 3; HCA

					1-3; SRM 2
Selects and applies recognized methods in interpreting discipline-based problems.	QR 4	ACJ 5			ACC 1, 2; CIT 2
Assembles evidence relevant to problems, describes its significance, and uses it in analysis.	WC 1; QR4	ABA 3; ACJ 2			ACC 3; CIT 2
Describes the ways in which at least two disciplines define, address and justify the importance of a contemporary challenge or problem.	CT 3	AAGS 1-3; ABA 2, 4; ACJ 1-4			BUS 1, 2; CIT 3; HCA 2, 3; SRM 3; COR 1; HLS 1; LAW 1
Identifies, categorizes and distinguishes among ideas, concepts, theories and practical approaches to problems.	WC 1	AAGS 1, 2; ABA 2, 4; ACJ 2, 5			BUS 1, 2; HCA 1-3; SRM 2; COR 1; HLS 1; LAW 1
<i>Intellectual Skills</i>					
Identifies, categorizes and distinguishes among ideas, concepts, theories and practical approaches to problems. (Analytic inquiry)	QR 1, 2	AAGS 2; ABA 2, 4; ACJ 5			BUS 1; HCA 1-3; SRM 2; COR 1; HLS 1; LAW 1
Identifies, categorizes and appropriately cites information for an academic project, paper or performance. (Use of information resources)	IL 1, 3	ABA 3; ACJ 2			
Describes how cultural perspectives could affect interpretation of problems in the arts, politics or global relations. (Engaging diverse perspectives)	CT 1	AAGS 1; ACJ 1, 3			BUS 2; CIT 3; SRM 3
Presents accurate calculations and symbolic operations and explains their use either in the field of study or in interpreting social or economic trends. (Quantitative fluency)	QR 3	AAGS 2			ACC 1, 2; CIT 2
Presents substantially error-free prose in both argumentative and narrative forms to	WC 1-3	ABA 1			ACC 3; CIT 1

general and specialized audiences. (Communication fluency)					
<i>Applied Learning</i>					
Describes in writing a case in which knowledge and skills acquired in academic settings are applied to a challenge in a non-academic setting; evaluates the learning gained; and analyzes a significant concept or method related to the course of study in light of learning from outside the classroom.	WC 1-3; CT 2; QR 4	AAGS 1, 2; ABA 2, 4; ACJ 3	CIT 1; HCA 3; COR 1; HLS 1; LAW 1		
Locates, gathers and organizes evidence on an assigned research topic addressing a course-related question or a question of practice in a work or community setting; offers and examines competing hypotheses in answering the question.	QR 1; IL 1-3	ABA 3; ACJ 2	CIT 2, 3		
<i>Civic Learning</i>					
Describes his or her own civic and cultural background, including origins, development, assumptions and predispositions.	WC 2	AAGS 1	BUS 2; SRM 1		
Describes historical and contemporary positions on democratic values and practices, and presents his or her position on a related problem.	CT 1	AAGS 3; ACJ 1, 4, 5	ACC 2; BUS 1, 2; HCA 2; SRM 1-3		
Takes an active role in the community (work, service, co-curricular activities) and examines civic issues encountered and insights gained.	CT 2*	AAGS 3; ACJ 3, 4	SRM 1		

*for "examines civic issues..." only.

PROPOSED GENERAL EDUCATION LEARNING OUTCOMES (GELO)

CRITERION	PRIOR OUTCOME STATEMENTS	REVISED OUTCOME STATEMENTS
Written Communication	Develop and express ideas in writing to prove learning in many genres and styles	<p>GELO WC 1: Use strategies for organizing information appropriate to a text's genre.</p> <p>GELO WC 2: Write effectively in response to audience, context, and purpose.</p> <p>GELO WC 3: Use the writing process (including phases of prewriting, drafting, revising, and editing) to develop written texts.</p>
Critical Thinking	Comprehensively explore issues, ideas, artifacts, and events before accepting or formulating an opinion or conclusion.	<p>GELO CT 1: Analyze data including facts, opinions, and perceptions.</p> <p>GELO CT 2: Formulate arguments that are based on data.</p> <p>GELO CT 3: Articulate logical connections between arguments and conclusions.</p>
Quantitative Reasoning	Reason and solve quantitative problems from a wide array of authentic contexts and everyday life situations through sophisticated arguments and quantitative evidence presented in a variety of formats (words, tables, graphs, mathematical equations, etc. as appropriate)	<p>GELO QR 1: Demonstrate solutions to quantitative problems using multiple strategies, including technology.</p> <p>GELO QR 2: Interpret quantitative data, symbols, and concepts.</p> <p>GELO QR 3: Communicate findings using appropriate formats (words, tables, graphs, mathematical equations, etc.).</p> <p>GELO QR 4: Apply quantitative reasoning to solve personal and professional problems.</p>
Information Literacy	Recognize the need to identify, locate, evaluate, and apply information effectively and responsibly to solve a problem.	<p>GELO IL 1: Access, navigate, and utilize content-rich resources for specific learning activities.</p> <p>GELO IL 2: Access, navigate, and utilize technology tools and applications for specific learning activities.</p>

		GELO IL 3: Evaluate resources based on purpose, currency, accuracy, and credentials of the author.
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PROPOSED PROGRAM LEARNING OUTCOMES (PLO) and MAJOR LEARNING OUTCOMES (MLO)

PROGRAM	PRIOR OUTCOME STATEMENTS	REVISED OUTCOME STATEMENTS
ASSOCIATE of ARTS		
General Studies	Summarize, analyze, and synthesize information in the Humanities and the Sciences.	<p>AAGS PLO 1: Interpret the meaning of cultural and aesthetic artifacts, practices, texts, and events.</p> <p>AAGS PLO 2: Recognize patterns in the natural world to hypothesize future events.</p> <p>AAGS PLO 3: Analyze a person's place in society and how it relates to larger social structures and institutions.</p>
ASSOCIATE of BUSINESS ADMINISTRATION Program Objectives	<p>Communicate effectively and professionally in business contexts.</p> <p>Apply management, marketing, and accounting concepts to real-life contemporary issues in business and organizations.</p> <p>Utilize technology for decision support and information retrieval in business-related tasks and environments.</p> <p>Utilize Business resources and databases to research topics and support ideas in a problem-solving context.</p>	<p>ABA PLO 1: Practice effective and professional business communication skills.</p> <p>ABA PLO 2: Apply knowledge, skills and ethics to plan for business issues and opportunities.</p> <p>ABA PLO 3: Make and evaluate business decisions using information and technology resources.</p> <p>ABA PLO 4: Investigate and apply business principles, theories, and ethics enabling successful economic decisions.</p>
ABA Majors		

Accounting	Apply accounting principles needed to solve business problems for a variety of organizations.	<p>ABA ACC MLO 1: Apply accounting principles to solve business problems.</p> <p>ABA ACC MLO 2: Demonstrate how taxation influences basic business, investment, personal and political decisions.</p> <p>ABA ACC MLO 3: Calculate and report accounting transactions using technology tools.</p>
Business	Apply the management principles required to lead an organization and improve its performance in a business environment.	<p>ABA BUS MLO 1: Apply management and leadership principles to improve organizational performance.</p> <p>ABA BUS MLO 2: Describe and apply principles of collaboration and cooperation to functional business departments.</p>
Computer and Information Technology	Evaluate and apply computer and software solutions in a corporate setting.	<p>ABA CIT MLO 1: Practice communication skills from the perspective of manager, subordinate and functional area leader.</p> <p>ABA CIT MLO 2: Explain basic concepts of computer repair and troubleshooting for both hardware and software application.</p> <p>ABA CIT MLO 3: Apply strategies that translate organizational needs and business requirements into viable IT solutions.</p>
Healthcare Administration	Evaluate and apply the academic theory and practical business skills needed to succeed in an administrative and/or supervisory position in the healthcare field.	<p>ABA HCA MLO 1: Use and evaluate terms and concepts unique to the healthcare industry.</p> <p>ABA HCA MLO 2: Demonstrate knowledge and application of management concepts in the healthcare industry.</p>

		ABA HCA MLO 3: Explain and evaluate concepts and issues within the healthcare system.
Sports and Recreation Management	Evaluate and prepare for careers in a range of fields including recreation and tourism, athletic administration and sports marketing.	ABA SRM MLO 1: Apply sports and recreation concepts to self and society. ABA SRM MLO 2: Compare and contrast models and theories in sports and recreation. ABA SRM MLO 3: Explain the role of business, law, and ethics in the sports and recreation management.
ASSOCIATE of CRIMINAL JUSTICE Program Objectives	Identify past, present and future trends in law enforcement, corrections and homeland security. Assess the strengths, weaknesses, opportunities and threats facing the criminal justice system today. Differentiate between the roles and partnerships between the various components of the criminal justice system. Evaluate the causes and effects of criminal behavior. Explore the laws, procedures and technologies that contribute to the discipline of law enforcement, corrections and homeland security.	ACJ PLO 1: Identify past, present and future trends in law enforcement, corrections and homeland security. ACJ PLO 2: Assess the strengths, weaknesses, opportunities and threats facing the criminal justice system today. ACJ PLO 3: Differentiate between the roles and partnerships between the various components of the criminal justice system. ACJ PLO 4: Evaluate the causes and effects of criminal behavior. ACJ PLO 5: Interpret the laws, procedures and technologies that contribute to the discipline.
ACJ Majors		
Corrections	Explore and apply fundamental principles of juvenile justice, criminal law, correctional thoughts, probation, parole and	ACJ COR MLO 1: Explain and apply fundamental principles of juvenile justice, criminal law, correctional

	corrections communities in a work-based context.	thoughts, probation, parole and community corrections.
Homeland Security	Explore homeland security issues and challenges and assess real world situations from a first responder's viewpoint.	ACJ HLS MLO 1: Recognize homeland security issues and challenges and assess real world situations from a first responder's viewpoint.
Law Enforcement	Explore and apply fundamental principles of law enforcement in a work-based context.	ACJ LAW MLO 1: Summarize and interpret the fundamental principles, partnerships and operations of law enforcement agencies.

NEXT STEPS AND GENERAL TIMELINE

Strikethrough denotes complete.

STEP	DEADLINE	PERSON RESPONSIBLE
1. Share with faculty, IDs, and other stakeholders for continued editing.	11/4/2012	Director of Outcomes Assessment
2. Seek approval from Ivy Bridge executive leadership.	11/10/2012	Dean
3. Revise Curriculum Maps in conjunction with initial construction in TaskStream Accountability Management System (TS AMS).	12/15/2012	Director of Outcomes Assessment
4. Devise plan for updating syllabi, courses, and supporting materials (i.e. rubrics, etc.).	1/1/2013	Associate Dean, CLS
5. Add outcomes to TS AMS Outcomes and Moodle 2.3 Outcome Library.	11/15/2012	Director of Outcomes Assessment
6. Revise any foundational documents provided to Tiffin, HLC, WASC, etc.	1/1/2013	Document Owner

7. Present all outcome revisions as well as TS AMS, Moodle, and assessment system progress at Academic Affairs team meeting.	1/31/2013	Director of Outcomes Assessment
8. Build assets in TS AMS and Moodle associated new Outcomes Assessment.	1/31/2013	Director of Outcomes Assessment
9. Develop and implement full communication plan including announcements, faculty training, and employee awareness.	6/30/2013	Director of Outcomes Assessment with Others

REFERENCES

- National Institute for Learning Outcomes Assessment. (2011, May). Learning outcomes assessment in community colleges. Retrieved from <http://www.learningoutcomeassessment.org/documents/communitycollege.pdf>
- Lumina Foundation. (2011, June). The degree qualifications profile. Retrieved from http://www.luminafoundation.org/publications/The_Degree_Qualifications_Profile.pdf

Rubrics

Click the title of the rubric to view.

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Discussion Forum Grading Rubric

CRITERIA	Outstanding	Above Average	Satisfactory	Below Average	Insufficient
1. Quality of Initial Post 55	Throughout the whole work, content and developing points <ul style="list-style-type: none"> demonstrate knowledge of the key terms and concepts to make up the substance of the given topic are organized in logical, digestible sequences 	Throughout most of the work, content and developing points <ul style="list-style-type: none"> demonstrate knowledge of the key terms and concepts to make up the substance of the given topic are organized in logical, digestible sequences 	Throughout a considerable amount of the work, content and developing points <ul style="list-style-type: none"> demonstrate knowledge of the key terms and concepts to make up the substance of the given topic are organized in logical, digestible sequences 	Throughout some of the work, content and developing points <ul style="list-style-type: none"> demonstrate knowledge of the key terms and concepts to make up the substance of the given topic are organized in logical, digestible sequences 	Throughout little to none of the work, content and developing points <ul style="list-style-type: none"> demonstrate knowledge of the key terms and concepts to make up the substance of the given topic are organized in logical, digestible sequences
2. Quality of Secondary Posts (average of two posts) 35	Throughout the whole work, responses <ul style="list-style-type: none"> extend the substance of subject matter in the conversation are well-organized use comments and various types of questions to extend the academic conversation 	Throughout most of the work, responses <ul style="list-style-type: none"> extend the substance of subject matter in the conversation are well-organized use comments and various types of questions to extend the academic conversation 	Throughout a considerable amount of the work, responses <ul style="list-style-type: none"> extend the substance of subject matter in the conversation are well-organized use comments and various types of questions to extend the academic conversation 	Throughout some of the work, responses <ul style="list-style-type: none"> extend the substance of subject matter in the conversation are well-organized use comments and various types of questions to extend the academic conversation 	Throughout little to none of the work, responses <ul style="list-style-type: none"> extend the substance of subject matter in the conversation are well-organized use comments and various types of questions to extend the academic conversation
3. Grammar and Mechanics 10	Throughout the whole work, the text <ul style="list-style-type: none"> is free of major errors in grammar, spelling, punctuation, and citation (where applicable) 	Throughout most of the work, the text <ul style="list-style-type: none"> is free of major errors in grammar, spelling, punctuation, and citation (where applicable) 	Throughout a considerable amount of the work, the text <ul style="list-style-type: none"> is free of major errors in grammar, spelling, punctuation, and citation (where applicable) 	Throughout some of the work, the text <ul style="list-style-type: none"> is free of major errors in grammar, spelling, punctuation, and citation (where applicable) 	Throughout little to none of the work, the text <ul style="list-style-type: none"> is free of major errors in grammar, spelling, punctuation, and citation (where applicable)

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Project-Presentation Grading Rubric

CRITERIA	Outstanding	Above Average	Satisfactory	Below Average	Insufficient
1. Integration of Content Knowledge 65	Throughout the whole project, the content clearly shows <ul style="list-style-type: none"> • application, analysis, and/or synthesis • connections/relationships among key points • conclusions based on sound logic 	Throughout most of the project, the content clearly shows <ul style="list-style-type: none"> • application, analysis, and/or synthesis • connections/relationships among key points • conclusions based on sound logic 	Throughout a considerable amount of the project, the content clearly shows <ul style="list-style-type: none"> • application, analysis, and/or synthesis • connections/relationships among key points • conclusions based on sound logic 	Throughout some of the project, the content clearly shows <ul style="list-style-type: none"> • application, analysis, and/or synthesis • connections/relationships among key points • conclusions based on sound logic 	Throughout little to none of the project, the content clearly shows <ul style="list-style-type: none"> • application, analysis, and/or synthesis • connections/relationships among key points • conclusions based on sound logic
2. Organization and Presentation Format 15	Throughout the whole project, the content exhibits <ul style="list-style-type: none"> • consistent logic and intuition • superior organization in a masterful presentation format 	Throughout most of the project, the content exhibits <ul style="list-style-type: none"> • consistent logic and intuition • superior organization in a masterful presentation format 	Throughout a considerable amount of the project, the content exhibits <ul style="list-style-type: none"> • consistent logic and intuition • superior organization in a masterful presentation format 	Throughout some of the project, the content exhibits <ul style="list-style-type: none"> • consistent logic and intuition • superior organization in a masterful presentation format 	Throughout little to none of the project, the content exhibits <ul style="list-style-type: none"> • consistent logic and intuition • superior organization in a masterful presentation format
3. Written Components 20	Throughout the whole project, the content <ul style="list-style-type: none"> • is free of major errors in grammar, spelling, punctuation, parallel construction (e.g. lists), and citation (where applicable) • is clear and concise • is effectively fitted to format and purpose 	Throughout most of the project, the content <ul style="list-style-type: none"> • is free of major errors in grammar, spelling, punctuation, parallel construction (e.g. lists), and citation (where applicable) • is clear and concise • is effectively fitted to format and purpose 	Throughout a considerable amount of the project, the content <ul style="list-style-type: none"> • is free of major errors in grammar, spelling, punctuation, parallel construction (e.g. lists), and citation (where applicable) • is clear and concise • is effectively fitted to format and purpose 	Throughout some of the project, the content <ul style="list-style-type: none"> • is free of major errors in grammar, spelling, punctuation, parallel construction (e.g. lists), and citation (where applicable) • is clear and concise • is effectively fitted to format and purpose 	Throughout little to none of the project, the content <ul style="list-style-type: none"> • is free of major errors in grammar, spelling, punctuation, parallel construction (e.g. lists), and citation (where applicable) • is clear and concise • is effectively fitted to format and purpose

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Technical Writing Grading Rubric

CRITERIA	Outstanding	Above Average	Satisfactory	Below Average	Insufficient
1. Content Development 35	Throughout the whole work, the text includes <ul style="list-style-type: none"> appropriate, relevant, and compelling content to illustrate mastery 	Throughout most of the work, the text includes <ul style="list-style-type: none"> appropriate, relevant, and compelling content to illustrate mastery 	Throughout a considerable amount of the work, the text includes <ul style="list-style-type: none"> appropriate, relevant, and compelling content to illustrate mastery 	Throughout some of the work, the text includes <ul style="list-style-type: none"> appropriate, relevant, and compelling content to illustrate mastery 	Throughout little to none of the work, the text includes <ul style="list-style-type: none"> appropriate, relevant, and compelling content to illustrate mastery
2. Organization and Presentation Format 15	Throughout the whole work, the content exhibits <ul style="list-style-type: none"> consistent logic and intuition superior organization appropriate to the genre (e.g. letters, emails, reports, etc.) masterful presentation format 	Throughout most of the work, the content exhibits <ul style="list-style-type: none"> consistent logic and intuition superior organization appropriate to the genre (e.g. letters, emails, reports, etc.) masterful presentation format 	Throughout a considerable amount of the work, the content exhibits <ul style="list-style-type: none"> consistent logic and intuition superior organization appropriate to the genre (e.g. letters, emails, reports, etc.) masterful presentation format 	Throughout some of the work, the content exhibits <ul style="list-style-type: none"> consistent logic and intuition superior organization appropriate to the genre (e.g. letters, emails, reports, etc.) masterful presentation format 	Throughout little to none of the work, the content exhibits <ul style="list-style-type: none"> consistent logic and intuition superior organization appropriate to the genre (e.g. letters, emails, reports, etc.) masterful presentation format
3. Support 35	Throughout the whole work, <ul style="list-style-type: none"> support materials and the use of persuasive techniques are appropriate to the genre 	Throughout most of the work, <ul style="list-style-type: none"> support materials and the use of persuasive techniques are appropriate to the genre 	Throughout a considerable amount of the work, <ul style="list-style-type: none"> support materials and the use of persuasive techniques are appropriate to the genre 	Throughout some of the work, <ul style="list-style-type: none"> support materials and the use of persuasive techniques are appropriate to the genre 	Throughout little to none of the work, <ul style="list-style-type: none"> support materials and the use of persuasive techniques are appropriate to the genre
4. Grammar, Mechanics, and Style 15	Throughout the whole work, the text <ul style="list-style-type: none"> is free of major errors in grammar, spelling, punctuation, parallel construction (e.g. lists), and citation (where applicable) is clear and concise is effectively fitted to format and purpose uses language appropriate for intended audience 	Throughout most of the work, the text <ul style="list-style-type: none"> is free of major errors in grammar, spelling, punctuation, parallel construction (e.g. lists), and citation (where applicable) is clear and concise is effectively fitted to format and purpose uses language appropriate for intended audience 	Throughout a considerable amount of the work, the text <ul style="list-style-type: none"> is free of major errors in grammar, spelling, punctuation, parallel construction (e.g. lists), and citation (where applicable) is clear and concise is effectively fitted to format and purpose uses language appropriate for intended audience 	Throughout some of the work, the text <ul style="list-style-type: none"> is free of major errors in grammar, spelling, punctuation, parallel construction (e.g. lists), and citation (where applicable) is clear and concise is effectively fitted to format and purpose uses language appropriate for intended audience 	Throughout little to none of the work, the text <ul style="list-style-type: none"> is free of major errors in grammar, spelling, punctuation, parallel construction (e.g. lists), and citation (where applicable) is clear and concise is effectively fitted to format and purpose uses language appropriate for intended audience

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Technology Application Grading Rubric

CRITERIA	Outstanding	Above Average	Satisfactory	Below Average	Insufficient
1. Processes 40	Throughout the whole work, the product demonstrates <ul style="list-style-type: none"> • excellent attention to detail • accurate interpretation of instructions • a mastery of concepts 	Throughout most of the work, the product demonstrates <ul style="list-style-type: none"> • excellent attention to detail • accurate interpretation of instructions • a mastery of concepts 	Throughout a considerable amount of the work, the product demonstrates <ul style="list-style-type: none"> • excellent attention to detail • accurate interpretation of instructions • a mastery of concepts 	Throughout some of the work, the product demonstrates <ul style="list-style-type: none"> • excellent attention to detail • accurate interpretation of instructions • a mastery of concepts 	Throughout little to none of the work, the product demonstrates <ul style="list-style-type: none"> • specific excellent attention to detail • accurate interpretation of instructions • a mastery of concepts
2. Software Usage 15	Throughout the whole work, the product demonstrates <ul style="list-style-type: none"> • excellent understanding of technology • advanced integration of functions and approaches 	Throughout most of the work, the product demonstrates <ul style="list-style-type: none"> • excellent understanding of technology • advanced integration of functions and approaches 	Throughout a considerable amount of the work, the product demonstrates <ul style="list-style-type: none"> • excellent understanding of technology • advanced integration of functions and approaches 	Throughout some of the work, the product demonstrates <ul style="list-style-type: none"> • excellent understanding of technology • advanced integration of functions and approaches 	Throughout little to none of the work, the product demonstrates <ul style="list-style-type: none"> • excellent understanding of technology • advanced integration of functions and approaches
3. Organization and Format 35	Throughout the whole work, the product demonstrates <ul style="list-style-type: none"> • superior organization • a masterful and highly innovative presentation format • features that are masterfully applied without excess to communicate ideas and concepts 	Throughout most of the work, the product demonstrates <ul style="list-style-type: none"> • superior organization • a masterful and highly innovative presentation format • features that are masterfully applied without excess to communicate ideas and concepts 	Throughout a considerable amount of the work, the product demonstrates <ul style="list-style-type: none"> • superior organization • a masterful and highly innovative presentation format • features that are masterfully applied without excess to communicate ideas and concepts 	Throughout some of the work, the product demonstrates <ul style="list-style-type: none"> • superior organization • a masterful and highly innovative presentation format • features that are masterfully applied without excess to communicate ideas and concepts 	Throughout little to none of the work, the product demonstrates <ul style="list-style-type: none"> • superior organization • a masterful and highly innovative presentation format • features that are masterfully applied without excess to communicate ideas and concepts
4. Written Components 10	Throughout the whole work, the text <ul style="list-style-type: none"> • is free of major errors in grammar, spelling, punctuation, and citation (where applicable) • is clear and concise • is effectively fitted to format and purpose • uses language appropriate for intended audience 	Throughout most of the work, the text <ul style="list-style-type: none"> • is free of major errors in grammar, spelling, punctuation, and citation (where applicable) • is clear and concise • is effectively fitted to format and purpose • uses language appropriate for intended audience 	Throughout a considerable amount of the work, the text <ul style="list-style-type: none"> • is free of major errors in grammar, spelling, punctuation, and citation (where applicable) • is clear and concise • is effectively fitted to format and purpose • uses language appropriate for intended audience 	Throughout some of the work, the text <ul style="list-style-type: none"> • is free of major errors in grammar, spelling, punctuation, and citation (where applicable) • is clear and concise • is effectively fitted to format and purpose • uses language appropriate for intended audience 	Throughout little to none of the work, the text <ul style="list-style-type: none"> • is free of major errors in grammar, spelling, punctuation, and citation (where applicable) • is clear and concise • is effectively fitted to format and purpose • uses language appropriate for intended audience

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Technology Concepts Grading Rubric

CRITERIA	Outstanding	Above Average	Satisfactory	Below Average	Insufficient
1. Processes 90	Throughout the whole work, the product demonstrates <ul style="list-style-type: none"> • excellent attention to detail • accurate interpretation of instructions • a mastery of concepts 	Throughout most of the work, the product demonstrates <ul style="list-style-type: none"> • excellent attention to detail • accurate interpretation of instructions • a mastery of concepts 	Throughout a considerable amount of the work, the product demonstrates <ul style="list-style-type: none"> • excellent attention to detail • accurate interpretation of instructions • a mastery of concepts 	Throughout some of the work, the product demonstrates <ul style="list-style-type: none"> • excellent attention to detail • accurate interpretation of instructions • a mastery of concepts 	Throughout little to none of the work, the product demonstrates <ul style="list-style-type: none"> • specific excellent attention to detail • accurate interpretation of instructions • a mastery of concepts
2. Written Components 10	Throughout the whole work, the text <ul style="list-style-type: none"> • is free of major errors in grammar, spelling, punctuation, and citation (where applicable) • is clear and concise • is effectively fitted to format and purpose • uses language appropriate for intended audience 	Throughout most of the work, the text <ul style="list-style-type: none"> • is free of major errors in grammar, spelling, punctuation, and citation (where applicable) • is clear and concise • is effectively fitted to format and purpose • uses language appropriate for intended audience 	Throughout a considerable amount of the work, the text <ul style="list-style-type: none"> • is free of major errors in grammar, spelling, punctuation, and citation (where applicable) • is clear and concise • is effectively fitted to format and purpose • uses language appropriate for intended audience 	Throughout some of the work, the text <ul style="list-style-type: none"> • is free of major errors in grammar, spelling, punctuation, and citation (where applicable) • is clear and concise • is effectively fitted to format and purpose • uses language appropriate for intended audience 	Throughout little to none of the work, the text <ul style="list-style-type: none"> • is free of major errors in grammar, spelling, punctuation, and citation (where applicable) • is clear and concise • is effectively fitted to format and purpose • uses language appropriate for intended audience

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Written Analysis Grading Rubric

CRITERIA	Outstanding	Above Average	Satisfactory	Below Average	Insufficient
1. Analysis 35	Throughout the whole work, • evidence is organized and synthesized to reveal insightful patterns, differences, or similarities related to focus	Throughout most of the work, • evidence is organized and synthesized to reveal insightful patterns, differences, or similarities related to focus	Throughout a considerable amount of the work, • evidence is organized and synthesized to reveal insightful patterns, differences, or similarities related to focus	Throughout some of the work, • evidence is organized and synthesized to reveal insightful patterns, differences, or similarities related to focus	Throughout little to none of the work, • evidence is organized and synthesized to reveal insightful patterns, differences, or similarities related to focus
2. Support 35	Throughout the whole work, • sentences in each paragraph compellingly explain the main idea • claims are supported with detailed and persuasive examples	Throughout most of the work, • sentences in each paragraph compellingly explain the main idea • claims are supported with detailed and persuasive examples	Throughout a considerable amount of the work, • sentences in each paragraph compellingly explain the main idea • claims are supported with detailed and persuasive examples	Throughout some of the work, • sentences in each paragraph compellingly explain the main idea • claims are supported with detailed and persuasive examples	Throughout little to none of the work, • sentences in each paragraph compellingly explain the main idea • claims are supported with detailed and persuasive examples
3. Conclusions 20	States a conclusion that is a logical extrapolation from the inquiry findings	States a conclusion that is an extrapolation from the inquiry findings but needs to strengthen the logical connections	States a conclusion focused solely on the inquiry findings. The conclusion arises specifically from and responds specifically to the inquiry findings	States a general conclusion that, because it is so general, also applies beyond the scope of the inquiry findings	States an ambiguous, illogical, or unsupportable conclusion from inquiry findings
4. Grammar, Mechanics, and Style 10	Throughout the whole work, the text • is free of major errors in grammar, spelling, punctuation, and citation (where applicable) • is clear and concise • is effectively fitted to format and purpose • uses language appropriate for intended audience • demonstrates strong word choice and sentence variety	Throughout most of the work, the text • is free of major errors in grammar, spelling, punctuation, and citation (where applicable) • is clear and concise • is effectively fitted to format and purpose • uses language appropriate for intended audience • demonstrates strong word choice and sentence variety	Throughout a considerable amount of the work, the text • is free of major errors in grammar, spelling, punctuation, and citation (where applicable) • is clear and concise • is effectively fitted to format and purpose • uses language appropriate for intended audience • demonstrates strong word choice and sentence variety	Throughout some of the work, the text • is free of major errors in grammar, spelling, punctuation, and citation (where applicable) • is clear and concise • is effectively fitted to format and purpose • uses language appropriate for intended audience • demonstrates strong word choice and sentence variety	Throughout little to none of the work, the text • is free of major errors in grammar, spelling, punctuation, and citation (where applicable) • is clear and concise • is effectively fitted to format and purpose • uses language appropriate for intended audience • demonstrates strong word choice and sentence variety

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Written Argument Grading Rubric

CRITERIA	Outstanding	Above Average	Satisfactory	Below Average	Insufficient
1. Argument 35	The thesis statement <ul style="list-style-type: none"> states the writer's own opinion about a specific topic reflects an appropriate scope for the assignment Throughout the whole work, <ul style="list-style-type: none"> topic sentences state the topic and the main idea of each paragraph 	The thesis statement <ul style="list-style-type: none"> states the writer's own opinion about a specific topic reflects an appropriate scope for the assignment Throughout most of the work, <ul style="list-style-type: none"> topic sentences state the topic and the main idea of each paragraph 	The thesis statement <ul style="list-style-type: none"> states an opinion about a specific topic may not reflect an appropriate scope for the assignment Throughout a considerable amount of the work, <ul style="list-style-type: none"> topic sentences state the topic and the main idea of each paragraph 	The thesis statement <ul style="list-style-type: none"> may not state an opinion about a specific topic may not reflect a scope that is either too broad or too narrow for the assignment Throughout some of the work, <ul style="list-style-type: none"> topic sentences state the topic and the main idea of each paragraph 	The thesis statement <ul style="list-style-type: none"> is not present Throughout little to none of the work, <ul style="list-style-type: none"> topic sentences state the topic and the main idea of each paragraph
2. Organization 25	Throughout the whole work, body paragraphs <ul style="list-style-type: none"> are well organized effectively support and develop the thesis 	Throughout most of the work, body paragraphs <ul style="list-style-type: none"> are well organized effectively support and develop the thesis 	Throughout a considerable amount of the work, body paragraphs <ul style="list-style-type: none"> are well organized effectively support and develop the thesis 	Throughout some of the work, body paragraphs <ul style="list-style-type: none"> are well organized effectively support and develop the thesis 	Throughout little to none of the work, body paragraphs <ul style="list-style-type: none"> are well organized effectively support and develop the thesis
3. Support 30	Throughout the whole work, <ul style="list-style-type: none"> sentences in each paragraph compellingly explain the main idea claims are supported with detailed and persuasive examples 	Throughout most of the work, <ul style="list-style-type: none"> sentences in each paragraph compellingly explain the main idea claims are supported with detailed and persuasive examples 	Throughout a considerable amount of the work, <ul style="list-style-type: none"> sentences in each paragraph compellingly explain the main idea claims are supported with detailed and persuasive examples 	Throughout some of the work, <ul style="list-style-type: none"> sentences in each paragraph compellingly explain the main idea claims are supported with detailed and persuasive examples 	Throughout little to none of the work, <ul style="list-style-type: none"> sentences in each paragraph compellingly explain the main idea claims are supported with detailed and persuasive examples
4. Grammar, Mechanics, and Style 10	Throughout the whole work, the text <ul style="list-style-type: none"> is free of major errors in grammar, spelling, punctuation, and citation (where applicable) is clear and concise is effectively fitted to format and purpose uses language appropriate for intended audience demonstrates strong word choice and sentence variety 	Throughout most of the work, the text <ul style="list-style-type: none"> is free of major errors in grammar, spelling, punctuation, and citation (where applicable) is clear and concise is effectively fitted to format and purpose uses language appropriate for intended audience demonstrates strong word choice and sentence variety 	Throughout a considerable amount of the work, the text <ul style="list-style-type: none"> is free of major errors in grammar, spelling, punctuation, and citation (where applicable) is clear and concise is effectively fitted to format and purpose uses language appropriate for intended audience demonstrates strong word choice and sentence variety 	Throughout some of the work, the text <ul style="list-style-type: none"> is free of major errors in grammar, spelling, punctuation, and citation (where applicable) is clear and concise is effectively fitted to format and purpose uses language appropriate for intended audience demonstrates strong word choice and sentence variety 	Throughout little to none of the work, the text <ul style="list-style-type: none"> is free of major errors in grammar, spelling, punctuation, and citation (where applicable) is clear and concise is effectively fitted to format and purpose uses language appropriate for intended audience demonstrates strong word choice and sentence variety

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Written Reflection Grading Rubric

CRITERIA	Outstanding	Above Average	Satisfactory	Below Average	Insufficient
1. Content Development 70	Throughout the whole work, the text <ul style="list-style-type: none"> provides detailed facts, data, or an accounting of a learning situation articulates connections between this learning experience and content from the readings, past learning, life experiences, and/or future goals 	Throughout most of the work, the text <ul style="list-style-type: none"> provides detailed facts, data, or an accounting of a learning situation articulates connections between this learning experience and content from the readings, past learning, life experiences, and/or future goals 	Throughout a considerable amount of the work, the text <ul style="list-style-type: none"> provides detailed facts, data, or an accounting of a learning situation articulates connections between this learning experience and content from the readings, past learning, life experiences, and/or future goals 	Throughout some of the work, the text <ul style="list-style-type: none"> provides detailed facts, data, or an accounting of a learning situation articulates connections between this learning experience and content from the readings, past learning, life experiences, and/or future goals 	Throughout little to none of the work, the text <ul style="list-style-type: none"> provides detailed facts, data, or an accounting of a learning situation articulates connections between this learning experience and content from the readings, past learning, life experiences, and/or future goals
2. Conclusions 20	States a conclusion that is a logical extrapolation from the inquiry findings	States a conclusion that is an extrapolation from the inquiry findings but needs to strengthen the logical connections	States a conclusion focused solely on the inquiry findings. The conclusion arises specifically from and responds specifically to the inquiry findings	States a general conclusion that, because it is so general, also applies beyond the scope of the inquiry findings	States an ambiguous, illogical, or unsupportable conclusion from inquiry findings
3. Grammar, Mechanics, and Style 10	Throughout the whole work, the text <ul style="list-style-type: none"> is free of major errors in grammar, spelling, punctuation, and citation (where applicable) is clear and concise is effectively fitted to format and purpose uses language appropriate for intended audience demonstrates strong word choice and sentence variety 	Throughout most of the work, the text <ul style="list-style-type: none"> is free of major errors in grammar, spelling, punctuation, and citation (where applicable) is clear and concise is effectively fitted to format and purpose uses language appropriate for intended audience demonstrates strong word choice and sentence variety 	Throughout a considerable amount of the work, the text <ul style="list-style-type: none"> is free of major errors in grammar, spelling, punctuation, and citation (where applicable) is clear and concise is effectively fitted to format and purpose uses language appropriate for intended audience demonstrates strong word choice and sentence variety 	Throughout some of the work, the text <ul style="list-style-type: none"> is free of major errors in grammar, spelling, punctuation, and citation (where applicable) is clear and concise is effectively fitted to format and purpose uses language appropriate for intended audience demonstrates strong word choice and sentence variety 	Throughout little to none of the work, the text <ul style="list-style-type: none"> is free of major errors in grammar, spelling, punctuation, and citation (where applicable) is clear and concise is effectively fitted to format and purpose uses language appropriate for intended audience demonstrates strong word choice and sentence variety

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ATTACHMENT C

Ivy Bridge College of Tiffin University Credit Hour Definition (3-credit course, 7-week format)			
Instructional Time	Hrs. per Week	Hrs. per Course	Total Instructional Time
Instructor contact time	8-12	56-84	56-84
Out of Class Time*	Hrs. per Week	Hrs. per Course	Total Out of Class Time
Reading/Resources	4-5	21-28	91-112
Discussions	4-5	21-28	
Application Activities	5-6	35-42	
Total Hrs. per Week	13-16	91-112	
Total Per 3-Credit Hour Class:			147-196

*Content varies by course and discipline, but total time expectation remains consistent. Some specific reading- and writing-intensive courses may require additional time beyond the stated guideline.

Ivy Bridge College of Tiffin University: Definition of the Credit Hour

Overview of Definition Categories and Course Format

Ivy Bridge College of Tiffin University course credit is defined per Federal regulation by Instructional Time (classroom or direct faculty instruction) and Out of Class Time (student work). The following definition is based on the federal guideline that partially defines the credit hour as “ ‘an amount of work represented in intended learning outcomes and verified by evidence of student achievement,’ establishing a ‘quantifiable minimum basis’ and as a means to ‘quantify academic activity for purposes of determining federal funding.’ ”

Ivy Bridge College offers courses in a 100% online asynchronous format. Students access course information, participate in threaded discussions, and submit assignments in the eCollege Learning Management System. Thus, all student work can be retrieved, accessed, and graded in a consistent manner, and archived for purposes of assessing student achievement on an institution-wide level.

Instructional Time Definition

Ivy Bridge College of Tiffin University currently offers only 3-credit courses.

Instructional time in Ivy Bridge College online asynchronous courses is quantified under the categories of 1) Classroom Management, and 2) Participation, Engagement, and Facilitation. These expectations are defined and trained in the Faculty Expectations Guide and FAC 100, the faculty training course. The following milestones are defined and tracked through a quality review process to assure that faculty is fulfilling instructional time expectations:

- Instructors must post a welcome message every week to introduce weekly learning objectives, important due dates, and other important classroom management information.
- Instructors must post a weekly wrap-up message to reinforce the value of reflective learning by asking students to summarize their week and discuss key concepts covered during the week.
- Instructors must respond to Discussion Forum postings, at a minimum, 5 out of 7 days per week with multiple substantive responses expected throughout discussion threads. Instructors are monitored on a scheduled basis by the relevant Program Chair via a Quality Review Rubric to gauge their active participation in the course room.
- When grading assignments and weekly participation, Instructors are required to provide quantitative and qualitative feedback to each student through the use of standardized Ivy Bridge College rubrics that provide comments that are specific and constructive. Instructors are also

expected to give comments that are specific, timely, constructive, and relevant on all written assignments using Track Changes and comment balloons in Microsoft Word. The corrected assignment and the graded rubric are then returned to the student within 7 days of submission.

- Instructors must schedule 3 hrs. a week for live office hours.
- Instructors must respond to student e-mail within 24-36 hrs.

(Evidence: Faculty Expectations Guide, FAC100 – Faculty Training, Quality Review rubric)

In a 7-week course Ivy Bridge College instructors are expected to devote 8-12 hrs. per week (average) to instructional time for a total accumulation of 56-84 hours per course.

Out of Class Time Definition

Ivy Bridge College courses are rigorously designed to include readings (textbooks, library resources, open source materials, websites, etc.), threaded discussion forums, and application activities (exercises, assignments, projects, tests, etc.) that assess the student's level of mastery of material. Many courses also include a Final Course Project. Most courses are sequenced in the following manner per week:

Preparation Readings 1

Discussion 1

Assignment 1

Preparation Readings 2

Discussion 2

Assignment 2

(Evidence: Course syllabi, course calendars)

Students are expected to be actively involved in a course every week through reading, participation in threaded discussion forums, and completing individual assignments. Each discussion and assignment is due on a specific day throughout the week in order to help students maintain an active presence in the course room. Timely participation in the threaded discussion forums is also part of each student's grade.

In most Ivy Bridge College courses, weekly deadlines are as follows:

Discussion 1: Initial posting due on Day 2; at least 2 follow-up postings due by Day 7

Discussion 2: Initial posting due on Day 5; at least 2 follow-up postings due by Day 7

Assignment 1: Due on Day 3

Assignment 2: Due on Day 6 or 7

Time estimations per week are included as a guideline for students in course syllabi.

(Evidence: Course syllabi, course calendars, Discussion Grading Rubric, participation and assignment submissions)

In a 7-week course Ivy Bridge College students are expected to devote 13-16 hrs. per week (average) out of class to academic endeavors for a total accumulation of 91-112 hours per course.

Total Credit Hour Calculations (please see detailed chart above)

3-credit course:

Instructional Time: 56-84 hrs.

Out of Class Time: 91-112 hrs.

Total Hours Combined: 147-196 hrs.

Type of Task	Task Details	Student Prep Time (includes research as needed/required)	Assignment Completion	Total Time
Getting Started	Getting Started Quiz (Prep includes reading Course Information links)	.5	.25	.75
	Introductory Discussion		.75	.75
Readings and Lectures	20-25 pages in a standard textbook		1	1
	Lectures (2 @ 700 words each); calculate weblinks or other resources/media accordingly		.25	.25
Discussions	Discussion post (initial & secondary)		1 - 2	Varies depending on resource integration
Assignments	Essays; Reactions; Summaries; Problems; Cases; Critical Reviews; Research Paper; Projects; Business/Marketing Plans; Research/Final Paper	see Resource time	1.5 per page	
	PowerPoint or multi-media (8-10 slides)		2 - 5	
Research/Resources	Research and reading of resources (including note taking, highlighting, etc.)	1.5 per source		
Quizzes/Tests	Quiz/Test (T/F, multiple choice, fill-in-the-blank) - 20-30 questions (amounts can vary depending on subject and nature of questions)	2	1	3
	Quiz/Test (short answer)	2	1 - 2	3 - 4
GUIDELINES	Hours required per course (out of class - 2/3 of 135)	90		
	Average required per week	13		

ATTACHMENT D

Student Quality: College Readiness Assessment

- Cut score of 13 for admissions to IBC
- *Near-term target:* Score of 13 or better; for reference, Wonderlic normative median score for high school graduates with no college is 19
- *Long-term target:* Continue to review distribution of scores and explanatory power of current test; evaluating alternative tests

College Readiness Assessment Results

	Jan-12	Mar-12	May-12	Jul-12	Aug-12	Oct-12	Jan-13	Mar-13	May
% of Applicants Completing CRA	32%	37%	43%	45%	51%	59%	46%	46%	58.2
<u>Distribution of CRA Scores:</u>									
< 13	8%	10%	8%	2%	8%	5%	5%	11%	4%
13 - 15	16%	16%	18%	20%	16%	24%	21%	20%	13%
16 - 18	24%	22%	21%	24%	24%	28%	24%	21%	15%
19 - 21	26%	25%	28%	28%	28%	22%	25%	24%	14%
22 - 25	21%	21%	19%	18%	18%	16%	18%	16%	8%
> 25	5%	6%	6%	7%	6%	6%	7%	8%	4%
Median CRA Score	19	19	19	19	18	18	19	18	18

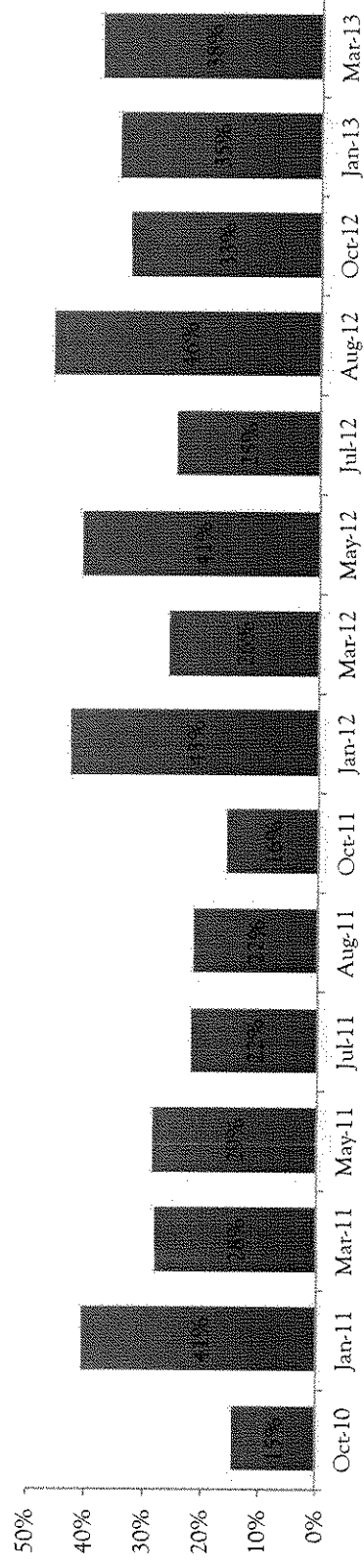
Note that CRA was only deployed for the direct channel for a portion of the January 2012 enrollment cycle and during that time, the cut score was not required for admission.

Student Quality: Enrollment Status

- Messaging and pricing made clear impact on enrollment status
- *Near-term target:*
 - Beat target of 29% full-time enrollment on May 2012 start
 - Distinction between Term 1 and 2 due to financial aid procedures
- *Long-term target:* 70% full-time enrollment with no difference between Term 1 and Term 2

Full-Time Enrollment % (Census)

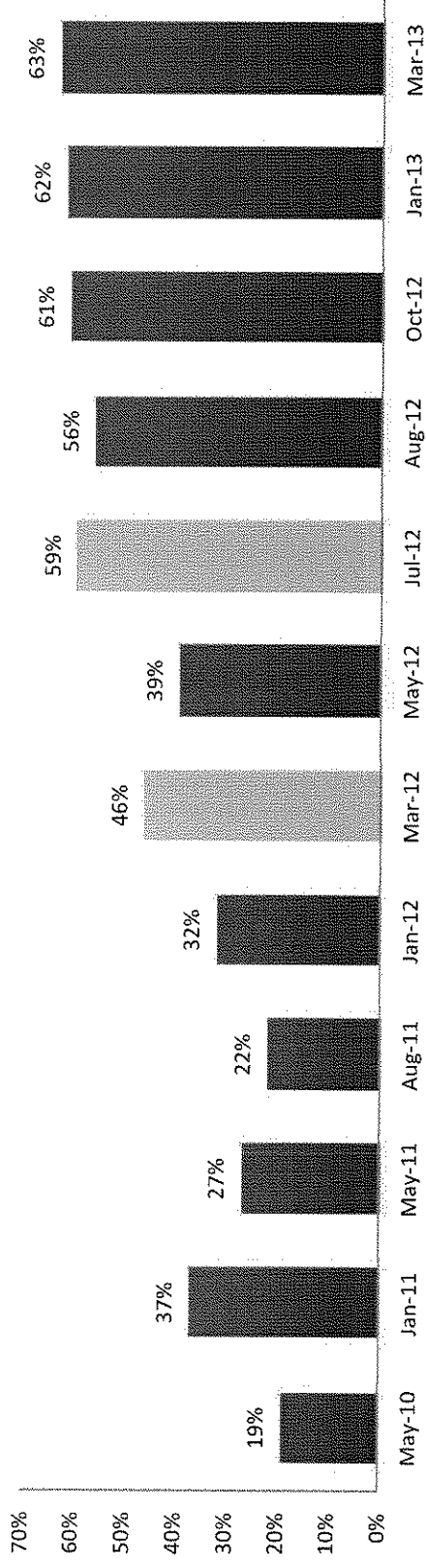
Students in FT Status



Student Quality: Satisfactory Academic Progress

- Steady improvement in student academic progress, with the majority of students now in good standing
- *Near-term target:* Surpassed target of 35% of students continuing in good standing at end of May 2012 term
- *Long-term target:* At the end of each term, 70% of students continuing in good standing

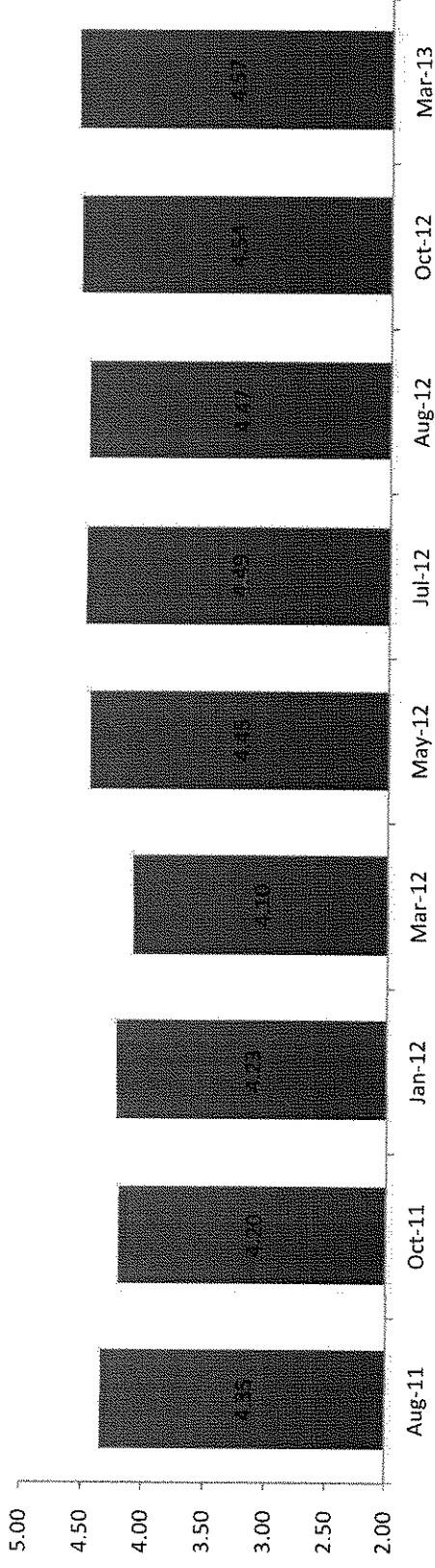
% of Students Continuing in Good Standing



Student Quality: Student Satisfaction Survey

- Measuring response to question “How likely would you be to recommend Ivy Bridge College to your friends, family and colleagues?” – this question encompasses the entire IBC experience
- Revised survey in July to Likert score and adjusted historical scores accordingly
- Achieving 60% response versus 24% last term through better survey integration
- *long-term target: 4.5 out of 5.0*

Net Promoter Score



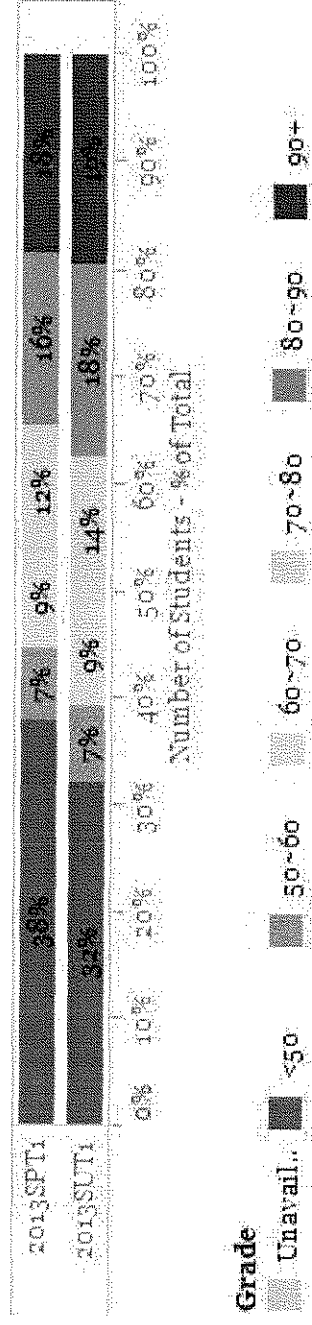
Current Grade Analysis – May Start (Term 1 to Term 1 Comparison)

Consistent improvements term over term

- 19% decrease in students with grades below 50
- 9% increase in students with grades over 80

Current Grade Distribution: May 2013 versus January 2012

All Students



Student profile at Ivy Bridge College

Enrollment:

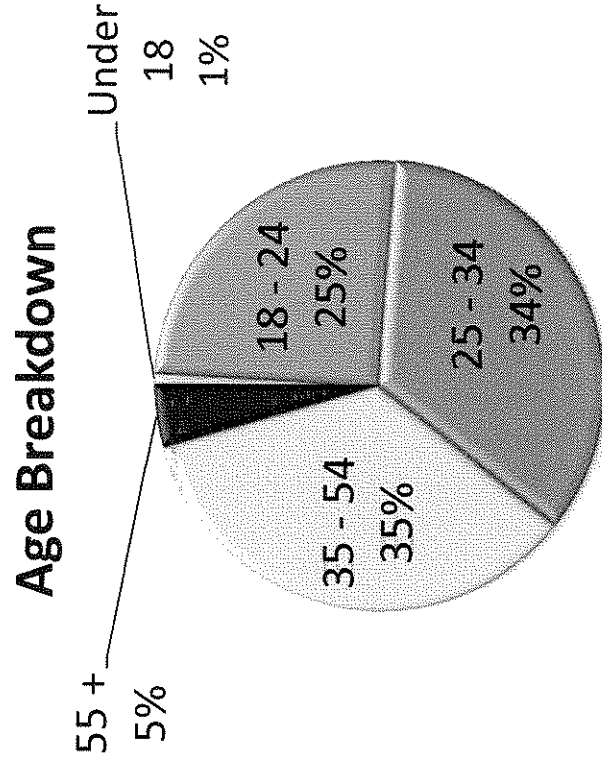
1495 total students
93% degree seeking

Demographics:

73% female
74% above age 25
82% first-generation college students
50% moms
51% minority

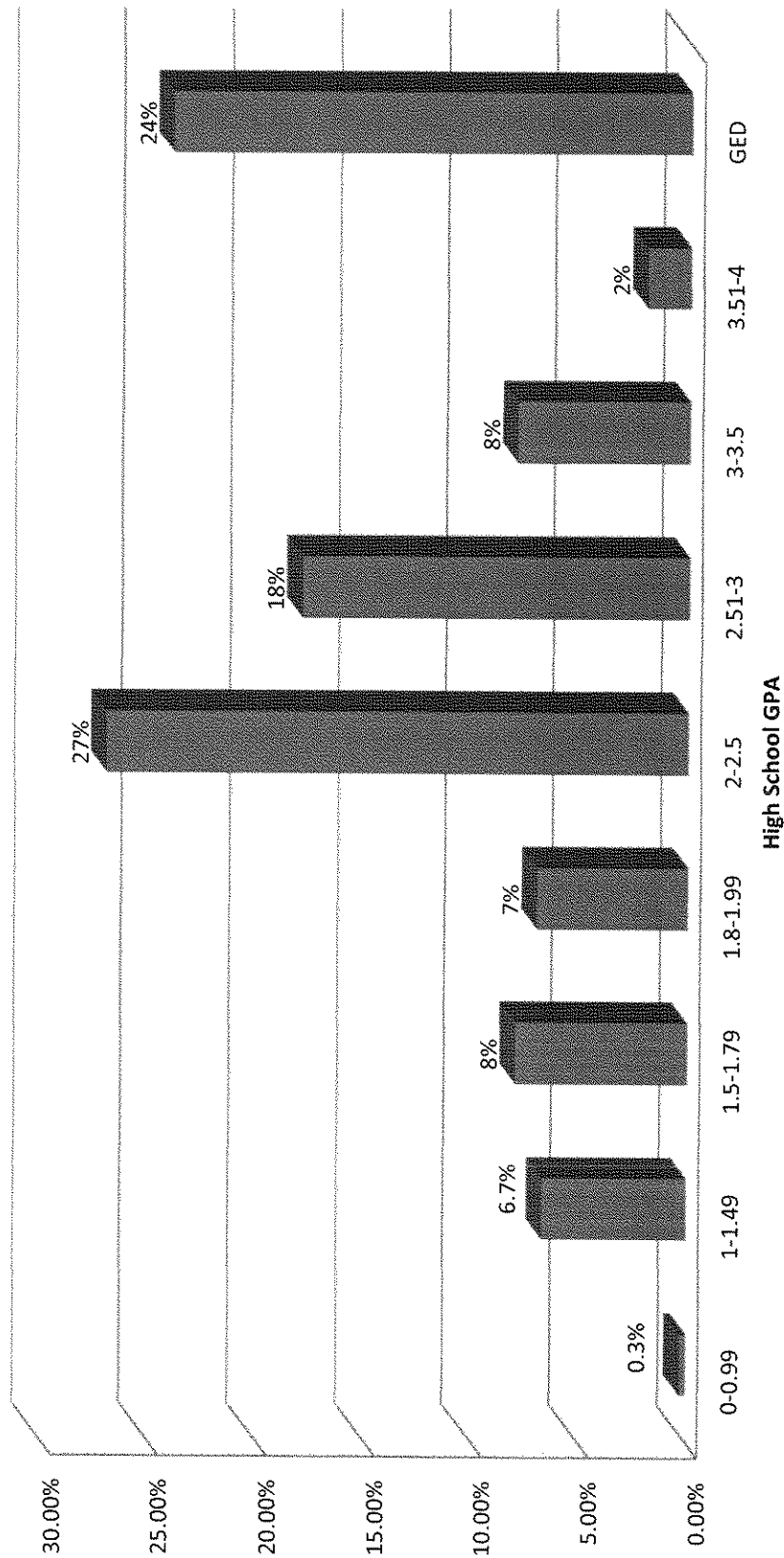
Income:

93% eligible for Pell grants
69% below federal poverty level



*Data above is current as of March 2013 except total student enrollment number which is current as of June 2013

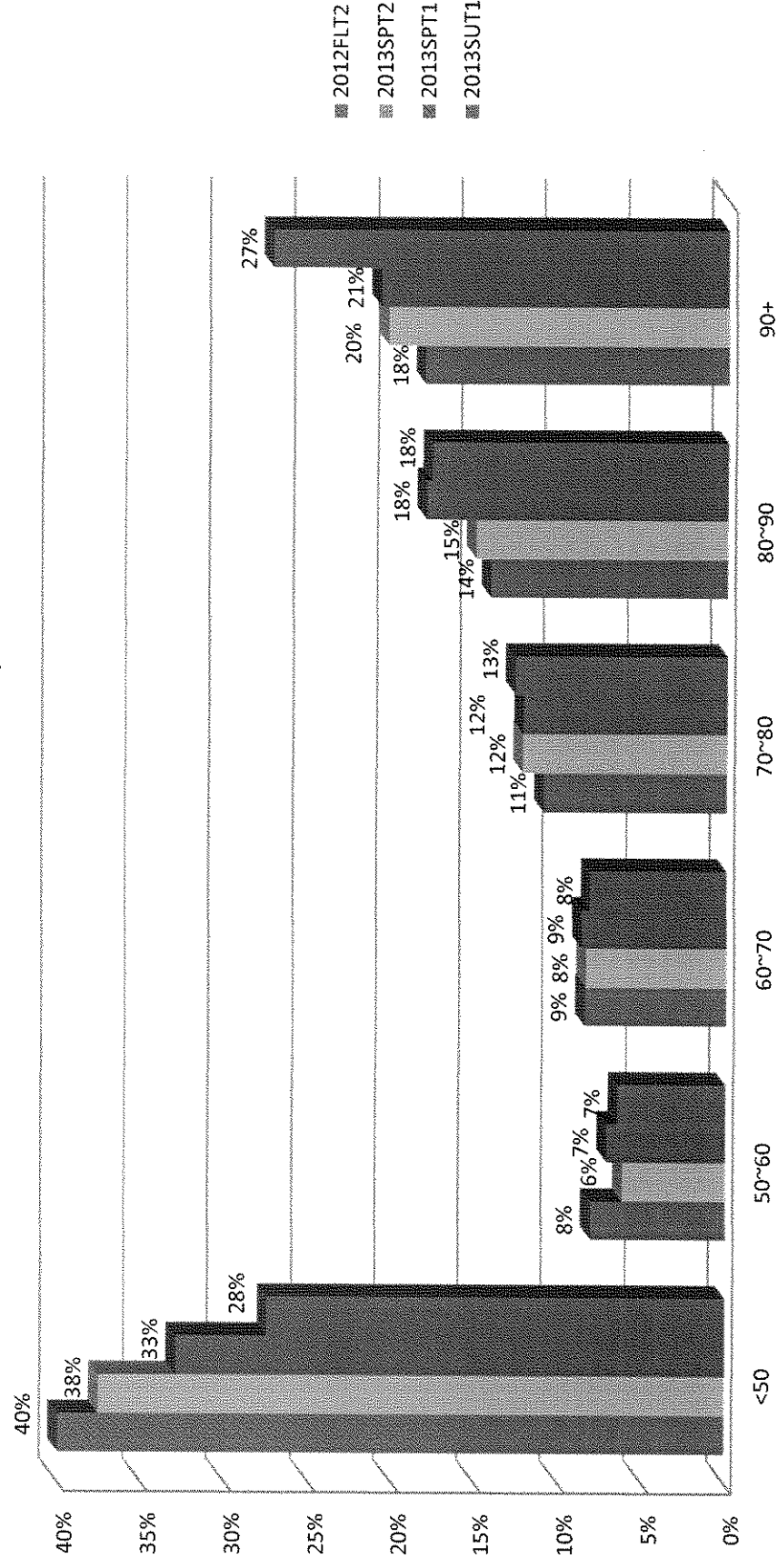
71% entered with HS GPAs of C or better



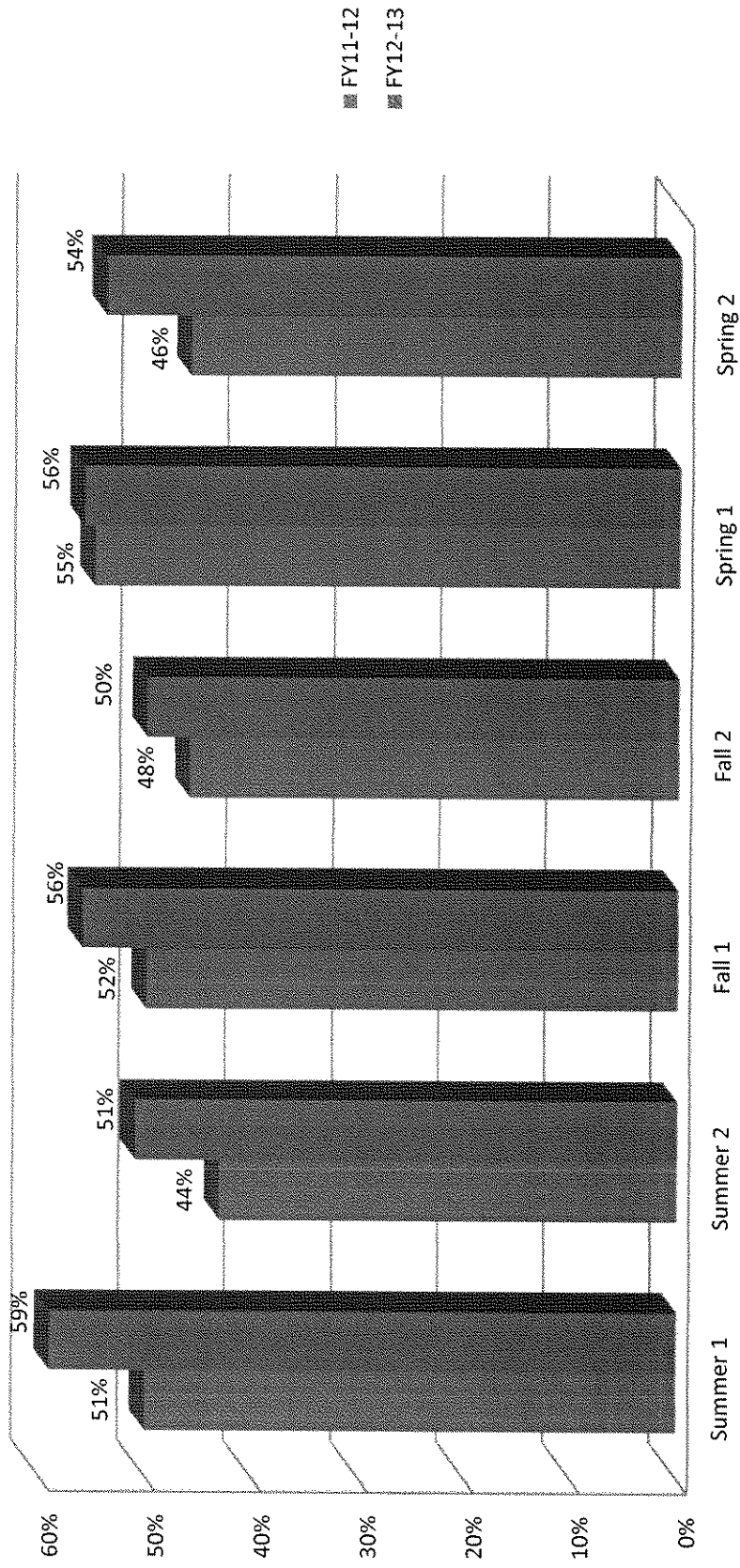
**0.3% of students are below 1.0 and fall into special circumstances*

Grades show steady improvement

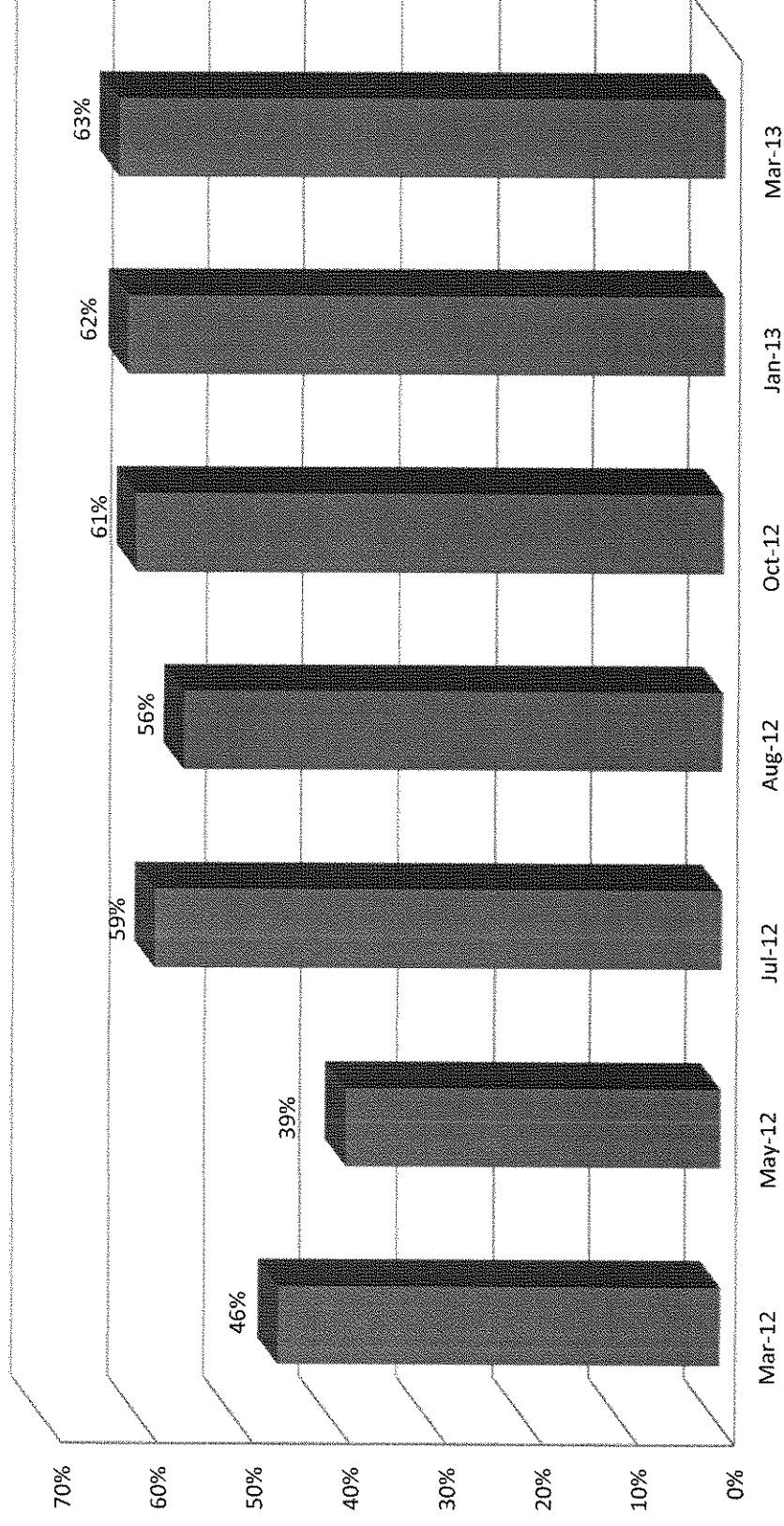
Current Grade
(as of 5/29/2013)



Pass rates have increased 17% YOY

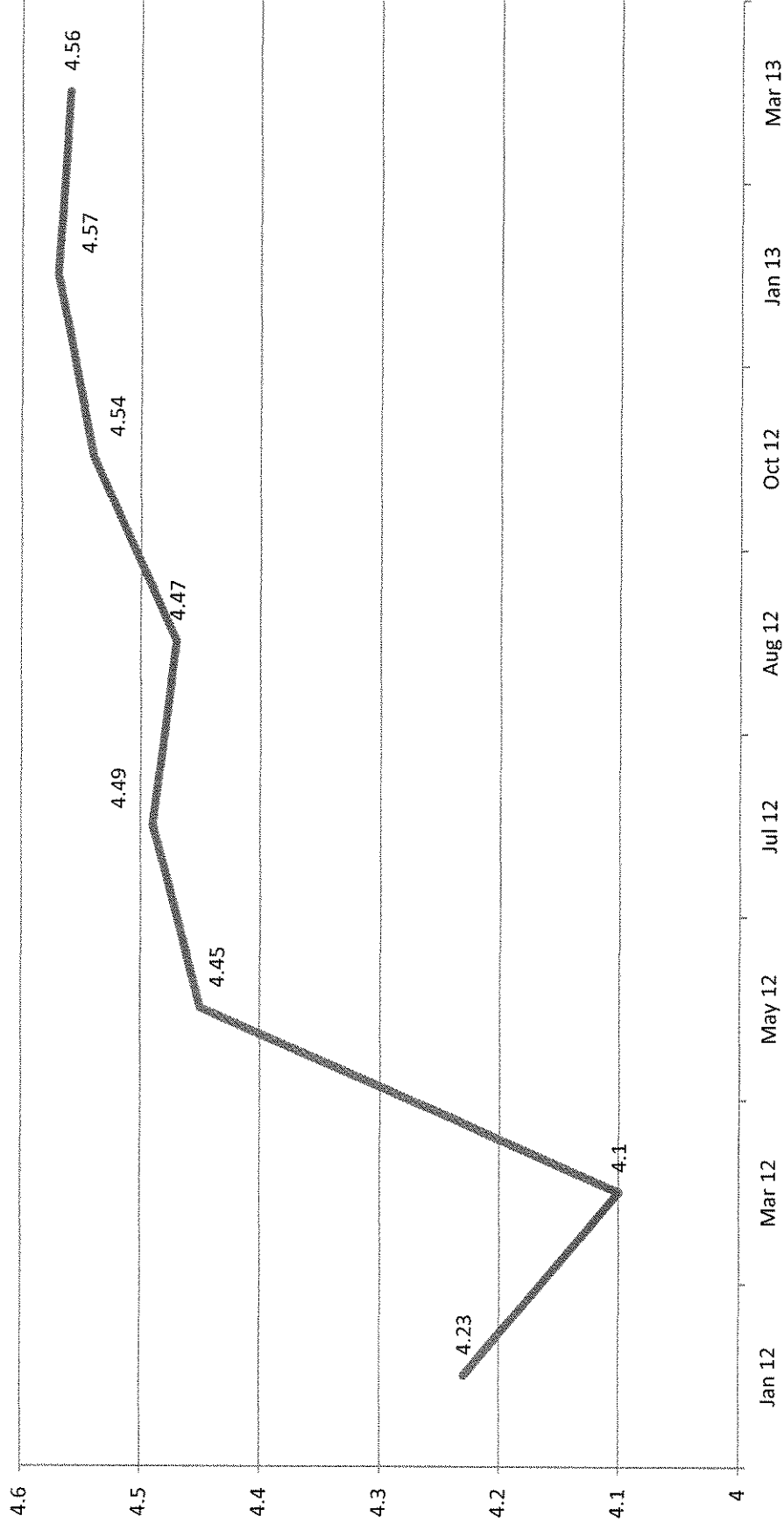


SAP has increased 37% YOY



Net Promoter Score is up 11% (5-point scale)

"Would you recommend Ivy Bridge College of Tiffin University to friends and family?"



TIFFIN UNIVERSITY

Paul Marion, Ph.D.
President

June 14, 2013

Ms. Karen L. Solinski
Vice President for Legal and Governmental Affairs
Higher Learning Commission
230 South LaSalle Street, Suite 7-500
Chicago, IL 60604-1411

Dear Ms. Solinski:

Tiffin University officially withdraws our Change of Control, Structure or Organization application and requests that the HLC Board of Trustees take no action regarding Tiffin University at the Board's meeting later this month. This will provide time for us to work with you and your colleagues at HLC to develop a proposal for HLC's consideration that will meet our obligations to the students, satisfy all HLC expectations and policies, and be appropriate for the future of Tiffin University. We believe that this request is reasonable in light of the withdrawal of our application, the severity of the potential consequences mentioned in your letter dated May 31, 2013, the fact that we had less than two weeks to prepare a response, and the following additional factors:

1. Tiffin University and Altius Education, Inc. will terminate the joint venture (Altius University, LLC) pursuant to the terms of the contracts and the name "Altius University" will no longer be used.
2. Tiffin University will not pursue independent accreditation for Ivy Bridge College and we officially withdraw our Substantive Change application for approval to create a branch campus in California.
3. Tiffin University has always been and continues to be in control of all aspects of the academic programs, academic tutoring and library services, and the financial aid, registrar, and bursar functions. The students have always been and continue to be Tiffin University students, who are enrolled in Tiffin University degree programs taught by Tiffin University faculty members and who earn Tiffin University degrees. The faculty members who teach TU courses through Ivy Bridge College attend monthly meetings of the Tiffin University Faculty, serve on Faculty

committees, and go through the same procedures as all other faculty members for consideration for promotion in rank, sabbatical leave, etc. As with our other four schools (School of Arts and Sciences, School of Business, School of Criminal Justice and Social Sciences, and School of Graduate and Degree Completion Programs), proposals for new academic programs must be approved by the Faculty Curriculum Committee and the full Faculty. Also, the academic Dean of Ivy Bridge College attends meetings along with the other TU deans each week with the TU Vice President for Academic Affairs.

The Ivy Bridge College structure is an organizational unit that has allowed Tiffin University to use the financial support and expertise of Altius Education to develop high-quality online courses and to market these to a wider audience than would have been available if Tiffin had tried to do this with our own resources. The arrangement is similar to the contracts that many accredited institutions have developed with third-party service providers. While the team's report appears to view Ivy Bridge College as somehow separate from Tiffin University, it is not. We are fully in control of all aspects of the academic programs, as well as the financial aid, bursar, and registrar functions. Marketing, student recruitment and other support functions that do not have to be handled by the accredited institution are handled by staff members who are employees of the services company, which is jointly owned by Tiffin University and Altius Education, so Tiffin has more control over these functions than most institutions that use outsourced services.

4. Tiffin University is considering whether to continue offering associate's degree programs in the future.
5. The concentrations within the Master of Education program and within the Bachelor of Professional Studies program that were to be delivered through Ivy Bridge College are now being delivered through TU's School of Graduate and Degree Completion Programs. We believe that our original plan to deliver these concentrations through Ivy Bridge was appropriate, but we decided to move them to our School of Graduate and Degree Completion Programs in order to avoid any further issues.
6. The position of Campus Executive Officer for Ivy Bridge College has been eliminated and all Tiffin University employees whose offices are in Toledo now report to an administrator on the main campus. For example, the Academic Dean for Ivy Bridge College now reports directly to the Tiffin University Vice President for Academic Affairs and the Director of Registration and Student Financial Services now reports directly to the Tiffin University Director of Financial Aid for financial aid issues and to the Dean of Academic Support Programs for the registrar functions. We believe that having the position of Campus Executive Officer as a Tiffin University employee reporting to me was appropriate in order to prepare for independent accreditation for AU/Ivy Bridge, but this administrative structure is no longer needed since we have decided not to pursue independent accreditation.

7. When the relationship with Altius Education was created, I wrote to the President of HLC on January 18, 2008 informing HLC of this fact and noting that the new arrangement was developed “in careful consideration of the *HLC Policies Regarding Institutional Dynamics* and the Commission’s *Good Practices in Contractual Arrangements Involving Courses and Programs*”. On June 15, 2009, I followed up with another letter to HLC that provided additional details about Ivy Bridge College of Tiffin University. Because I received no reply to either of these letters, we assumed that HLC had no concerns with our arrangement.

In 2010, HLC approved continuing accreditation through 2020 for Tiffin University without any concerns or conditions related to our arrangements with Altius Education or any issues with respect to the process that we followed, or any alleged default in process in our relationship with HLC. Our self-study report provided detailed information about Ivy Bridge College and the evaluation team reviewed the Altius legal agreements and visited our Toledo facility and met with staff and faculty members involved in the delivery of our online associate’s degree programs through Ivy Bridge College of Tiffin University. The evaluation team’s final report included no concerns or negative comments about our Ivy Bridge operation and the following positive comments:

- a. “It is evident that the University is embracing innovation and change with regard to on-line programs and Ivy Bridge entrepreneurship ventures.” (page 15)
- b. “TU effectively utilizes strategic alliances/partnerships to develop and grow academic programs and to expand its local, national, and global presence. These alliances have been particularly effective in the success of the online Associates Degree programs.” (page 15)
- c. “The concept of the Ivy Bridge partnership is an excellent strategic initiative. It addresses an underserved population through a strong curriculum, effective and efficient academic support, excellent instruction, and a very good online portal for program delivery.” (page 28)
- d. “The CEO and center director are effective administrators who are thoroughly involved in advancing the mission of Ivy Bridge and the entire Tiffin University”. (page 28)
- e. “Team discussions with faculty indicated that they are dedicated professionals delivering a quality academic program. The faculty are committed to the concept and spirit of assessment of student learning and making ongoing curricular and pedagogical improvements. “ (page 28)
- f. Students are generally satisfied with the concept, location, quality of faculty, and academic support given to the Toledo center.” (page 28)
- g. “Ivy Bridge delivers quality education to a relatively underserved population. Its staff support concept is innovative and well received by the students”. (page 29)
- h. “Tiffin’s Ivy Bridge partnership and its European alliances are clear examples of using external relationships to further the mission of the University and stabilize the financial condition.” (page 31)

Since 2010, the only significant changes that have taken place with Ivy Bridge College are that the academic programs that were determined by the HLC team to be very good have continued to improve, the level of student satisfaction that was evaluated by the HLC team as very good has continued to increase, and additional requirements for admission have been implemented recently in order to increase the percentage of enrolled students who are likely to succeed.

8. Based on their satisfaction with the quality of our online associate's degree programs, more than 150 accredited colleges and universities across the nation have entered into articulation agreements with Tiffin that guarantee transfer admission for all students who earn an associate's degree delivered through Ivy Bridge College of Tiffin University.
9. Enrolling an underserved population in our high-quality online associate's degree programs fits exactly with the Tiffin University mission of providing access and opportunity to quality degree programs for traditional college-age students and adult students, many of whom are among the first generation in their families to attend college.
10. The statement in your letter that "the Board will likely also consider setting a deadline by which AU/Ivy Bridge would need to be disassociated from Tiffin, and requiring a teach-out plan for students at AU/Ivy Bridge who need to remain at an accredited institution to be taught out by another institution" is confusing and extremely troubling for the following reasons:
 - a. Tiffin University is an accredited institution and the students are Tiffin University students who are enrolled in Tiffin University courses that are taught by Tiffin University faculty and earn Tiffin University degrees, so it is only appropriate that Tiffin University handle the teach-out plan if such a plan is deemed necessary.
 - b. Not only would involving another institution be inappropriate, it would be detrimental to our students since Tiffin has articulation agreements with more than 150 accredited colleges and universities and many of our students decided to enroll based on their plans to transfer to one of those institutions.
 - c. The implication that Tiffin University's accreditation status could be negatively affected would do great harm to the positive reputation that we have developed and would create confusion among currently-enrolled students and prospective students for all of our master's, bachelor's, and associate's degree programs. There is no reason to subject Tiffin University and our students to this harm and confusion in light of the points made in this letter.

In summary, we ask that no formal action be taken by the HLC Board at its meeting later this month because of the factors described above. We request the opportunity to work with the appropriate HLC staff members to develop a proposal that is in the best interests of our students, meets all HLC requirements, and does not damage the future viability of Tiffin University.

Since we are withdrawing our application for Change of Control, Structure or Organization, we assume that a detailed response to the team's report is not necessary. However, the attached response is provided for the record. The process described in Step Five: Institutional Response of HLC's *Change of Control, Structure, or Organization: Commission Procedure* specifies that "the institution should address any concerns that staff raise in the report". Therefore, our response includes our reactions to some of the allegations and assumptions contained in the Staff Summary Report, as well as identification of factual errors.

Please let me know if additional information is needed.

Sincerely,

A handwritten signature in cursive script, appearing to read "Paul Marion".

Paul Marion
President

cc: Dr. Robert Appleson, Vice President for Accreditation Relations, Higher Learning Commission

Memo

To: President Marion
From: Dr. Christensen
CC: [Click [here](#) and type name]
Date: June 28, 2013
Re: **HLC Thinking on IBC and Our Relationship with Altius Education**

I had about a 45 minute informal discussion with Bob Appleson on June 26 concerning what he believes is HLC's thinking on what they expect to see from us as we end IBC, the joint venture, and our relationship with Altius Education.

- Dissatisfied with our response to Staff Report---vague-nothing concrete about how we will teach-out IBC students or end our relationship with Altius Education. Planning should begin immediately to dissolve the joint venture and our relationship with Altius Education and HLC should be part of the process. Tiffin University teach-out plan to be approved by HLC should start ASAP, but no later than Jan 1, 2014. Bob would not speak for the HLC Board, but said HLC is highly unlikely approve a sale of IBC/Altius University to a third party.
- Move IBC students from CampusVu to PowerCampus immediately. We are in violation of DOE and HLC policies on sharing student information with an unaccredited third party. The longer we delay that the more chance of serious DOE sanctions.
- Move students and courses from IBC to TU LMS. Altius Education employees currently have access to courses and student data? Should stop recruiting for IBC.
- No future joint academic arrangements with Altius Education, but a limited recruiting contract possible.
- HLC sees TU teach-out of IBC students as only viable option moving forward. No revenue sharing arrangements with Altius Education during teach-out. No informal or formal contractual arrangement with Altius Education after January 1, 2014.
- Consequences of trying to continue, formally or informally, current relationship with Altius Education:
 - Second visit from HLC likely to take place in September to determine if sanctions are necessary.
 - Increased scrutiny including possible visits from DOE and OBR.



July 24, 2013

Paul Marion, President
Tiffin University
155 Miami Street
Tiffin, OH 44883

Dear President Marion:

I am writing in follow-up to a conversation you had last week with Bob Appleson.

At your request, the Commission staff agreed to remove from the agenda of the June Board of Trustees (“the Board”) meeting the institution’s application related to the Change of Control, Structure or Organization policy. This review involved consideration of the joint venture and limited liability corporation initiated by Tiffin University (“Tiffin”) and Altius Education (“AE”) and known as Altius University (“AU”), also called Ivy Bridge College (“IBC”). As a result the Board has not approved the joint venture or the related limited liability corporation to be included in the accreditation of Tiffin. Because this structure has not formally been included in Tiffin’s accreditation by action of the Commission, Tiffin must now agree to terminate its involvement and ownership in the joint venture and related limited liability corporation no later than September 30, 2013. The agreement or contract must outline complete provisions for the termination including provisions for AU employees and intellectual property after the termination. If the Commission does not receive a termination letter to or agreement with AE within thirty days or no later than August 25, I will place the application under the Change of Control, Structure or Organization policy and evaluation thereof on the Board’s agenda for its October 2013 meeting.

Tiffin must also agree to cease admitting new students into any of the degree programs offered by AU or IBC and cease its marketing and recruiting efforts related to these entities by July 28, 2013. Should AE determine subsequent to the termination of Tiffin’s participation and ownership in the joint venture or limited liability corporation that AE will continue to offer educational programs under the AU or IBC label, Tiffin must ensure that AE indicates in all recruiting, marketing or admissions materials that AU or IBC has no relationship with Tiffin and is not included in its accreditation. Tiffin should also discontinue any use of the IBC name for at least the next twelve months. If Tiffin wishes to use that name in the future and has the legal right to do so, prior to Tiffin using the name for any purpose Tiffin must establish to the satisfaction of the Commission that the name is being used solely with regard to Tiffin activities and has no relationship with any other corporation.

Tiffin must also develop a teach-out plan for all students enrolled as of July 28, 2013 in AU or IBC. Tiffin may offer admission to Tiffin's on-ground or on-line Bachelor's programs to those students whom Tiffin determines meet its previously established admissions requirements for its Bachelor's programs. For those students who are not eligible, the teach-out plan must identify other accredited institutions with similar academic programs offered in an on-line format that have agreed to teach-out the AU/IBC students and grant them an Associate's degree following the program requirements of AU/IBC and using a similar tuition structure. The plan must include formal letters of agreement or contracts with the teach-out institutions agreeing to these terms. There must also be included a copy of a direct communication to AU/IBC students informing them of the teach-out and indicating that, beyond October 20, 2013, enrollment in AU/IBC will not be covered by Tiffin's accreditation and will not be eligible for Title IV financial aid. The teach-out plan is to go into effect after the first fall 2013 AU/IBC term so that Tiffin has no students enrolled in AU/IBC subsequent to that term. The plan must also include an accounting of the AU/IBC students as to their proximity to graduation and to which institutions they are eligible to transfer as part of the teach-out plan. The plan will be due to the Commission by August 31, 2013.

The Commission will develop a Public Disclosure Notice for its Institutional Directory related to the teach-out arrangements once they are approved to ensure that students understand the Commission's role in approving the teach-out.

Please contact your liaison, Dr. Robert Appleson, if you have questions about these expectations. Thank you for your cooperation in this matter.

Sincerely,



Sylvia Manning
President

cc: Charles Christensen, Vice President for Academic Affairs, Tiffin University
Robert Appleson, Vice President for Accreditation Relations, Higher Learning
Commission
Anthea Sweeney, Vice President for Accreditation Relations, Higher Learning
Commission
Karen Solinski, Vice President for Legal and Governmental Affairs, Higher Learning
Commission



U. S. Department of Justice

Ronald C. Machen Jr.
United States Attorney

District of Columbia

*Judiciary Center
555 Fourth St., N.W.
Washington, D.C. 20530*

August 22, 2013

BY FEDERAL EXPRESS

Paul Freedman
CEO, Altius Education Inc.
101 Spear St Suite 203
San Francisco, CA 94105

RE: *In re False Claims Act Investigation of Ivy Bridge College*
Notice of Investigation and Request for Relevant Information

Dear Mr. Freedman,

The Commercial Litigation Branch of the Department of Justice's Civil Division and the Civil Division of the United States Attorney's Office for the District of Columbia are investigating Altius Education, Inc. ("Altius Inc."), Tiffin University ("Tiffin"), Altius University, LLC ("Altius LLC"), Education Sales and Marketing, LLC ("ESM") (collectively d/b/a Ivy Bridge College), Paul Marion, Gary Heminger, Cam Cruickshank, and Paul Freedman (all collectively, the "Persons"). As used herein, the term "Ivy Bridge College" refers to the Persons and any and all of their agents, officials, employees, subsidiaries, successors, and assigns. Generally, we are investigating whether the Persons submitted false claims, records, and/or statements, and/or conspired to do the same, to persons responsible for administering the U.S. Government's federal student aid programs, including officials of the United States Department of Education ("ED"). Specifically, we are investigating whether the Persons, and in particular Ivy Bridge College, utilized in their business operations from January 2008 to August 2013 marketing, recruitment, enrollment, student financial aid, student retention, and other practices that violate the material terms of the Government's federal student aid programs, including statutes, rules, regulations, and other authoritative guidance concerning those programs.

I write to formally advise Altius Inc. of the United States' investigation and to put Altius Inc. on notice that during the course of our investigation we will be seeking access to documents (including electronically stored information as that term is broadly defined under the Federal Rules of Civil Procedure) in Altius Inc.'s possession, custody and/or control. The information we will seek may include documents regarding, concerning, or relating to:

- a. marketing and recruitment methods, policies, practices, processes, and procedures utilized by Ivy Bridge College, including, but not limited to, services obtained or provided by ESM;
- b. the enrollment methods, policies, practices, processes, and procedures utilized Ivy Bridge College;
- c. the methods, policies, practices, processes, and procedures utilized by Ivy Bridge College to facilitate or assist student or potential students with applications for or concerning federal student aid;
- d. the methods, policies, practices, processes, and procedures of Ivy Bridge College concerning minimum online class requirements and student academic standing;
- e. Ivy Bridge College's internal controls, methods, policies, practices, processes, and procedures to identify and prevent fraud, including identify theft and misrepresentation;
- f. internal controls, methods, policies, practices, processes, and procedures Ivy Bridge College utilized to comply with requirements concerning the submission of Free Application for Federal Student Aid ("FAFSA") forms, Master Promissory Notes, Direct Loan Entrance Counseling, and other similar federal student aid processes;
- g. occasions when Ivy Bridge College completed or submitted FAFSA forms, Master Promissory Notes, Direct Loan Entrance Counseling, and other similar federal student aid paperwork for or on behalf of students, applicants, prospective students, or other persons;
- h. methods, policies, practices, processes, and procedures Ivy Bridge College utilized for re-enrolling students, applicants, prospective students, or other similar persons, including persons who previously were subject to academic discipline at Ivy Bridge College;
- i. methods, policies, practices, processes, and procedures Ivy Bridge College utilized to retain students, to include any and all reports created to forecast whether students were inclined towards retention, and any and all consequences for Ivy Bridge College employees based upon their projections related to retention;
- j. the ownership and control of Ivy Bridge College;
- k. the participation in, supervision of, or oversight of the operations of Ivy Bridge College by Altius Inc. and Tiffin;
- l. the participation in, supervision of, or oversight of the marketing and recruitment activities of Ivy Bridge College by Altius Inc. and Tiffin;

- m. the participation in, supervision of, or oversight of the enrollment processes of Ivy Bridge College by Altius Inc. and Tiffin;
- n. the participation in, supervision of, or oversight of the student financial aid processes of Ivy Bridge College by Altius Inc. and Tiffin;
- o. the participation in, supervision of, or oversight of the academic activities of Ivy Bridge College by Altius Inc. and Tiffin;
- p. the participation in, supervision of, or oversight of the processes utilized by the “success coaches” of Ivy Bridge College by Altius Inc. and Tiffin;
- q. the participation in, supervision of, or oversight of the re-enrollment and retention processes of Ivy Bridge College by Altius Inc. and Tiffin;
- r. the processes or systems utilized by Ivy Bridge College to record or retain information regarding FAFSA forms, Master Promissory Notes, Direct Loan Entrance Counseling, and other similar federal student aid paperwork, including any processes and systems (including index card systems) used to retain Federal Student Aid PIN numbers or other similar confidential information of students, applicants, prospective students, or other similar persons;
- s. the corporate and financial relationship between Altius Inc. and Tiffin;
- t. Ivy Bridge College’s EMT system and other similar systems and processes used by Ivy Bridge College to track and record information concerning students, applicants, prospective students, or other similar persons;
- u. Ivy Bridge College’s Poise system and other similar systems and processes used by Ivy Bridge College to track and record academic information concerning students, applicants, prospective students, or other similar persons; and
- v. presentations, meeting materials, powerpoints, or other similar documents from periodic meetings conducted by Ivy Bridge College supervisors, executives, or officials, to include all materials utilized in training “success coaches,” admissions personnel, and financial aid counselors and directors.

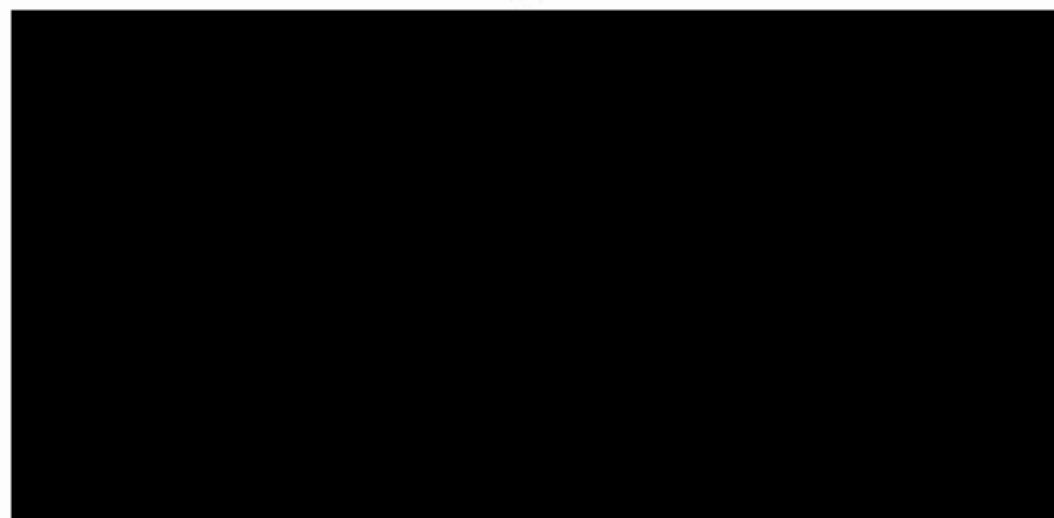
This list is illustrative only, is not all encompassing, and the United States may seek all information that may be relevant to the areas of investigation noted above.

* * *

If you have any questions or concerns, please let me know. Also, if Altius Inc. has retained or does retain legal counsel to represent it in this matter, please forward us the name(s) of your counsel so that we may communicate directly with them moving forward. Thank you for your time and attention to this matter.

Sincerely,

RONALD C. MACHEN JR.
United States Attorney





**STAFF SUMMARY REPORT TO THE BOARD OF TRUSTEES FOR
CHANGE OF CONTROL, STRUCTURE, OR ORGANIZATION
FOR TIFFIN UNIVERSITY**

May 22, 2013

Explanation

Update July 3, 2013: This Staff Summary Report was transmitted to Tiffin University on May 31, 2013. Tiffin filed its response to the Staff Summary Report on June 14, 2013 and requested to have the case removed from the Board's June 2013 agenda indicating that it had made changes in its relationship with Altius Education subsequent to receiving the Commission's report. Commission staff agreed to set aside the action temporarily pending review of the information about changes in the relationship with Altius Education. The response also included corrections of errors of fact for this report. Commission staff has reviewed those corrections and made changes in this report that staff determined were warranted based on the materials provided. This report does not reflect material provided in the Tiffin response that indicates changes in the relationship since the Tiffin received the Staff Summary Report.

Involved Parties

Party One: Tiffin University, Tiffin, OH

Tiffin University ("Tiffin") is a private, not-for profit Master's degree-granting institution. Tiffin offers Associate's degrees in such areas as Accounting, Business, General Studies, Law Enforcement, Healthcare and related fields; Bachelor of Arts degrees in such areas as Behavioral Sciences, Chemistry, English, History, and related fields; and the Bachelor's of Business Administration in such areas as Accounting, Computer and Information Systems, Finance, Healthcare Management, and Sports and Recreation Management. It also offers a Master of Business Administration, Master of Education, Master of Humanities, and Master of Science in Criminal Justice. Tiffin's reported enrollment in the 2013 Annual Update was: 2,766 full and 3,062 part-time undergraduate students; and 158 full and 1,034 part-time graduate students. Tiffin has a main campus in Tiffin and additional locations across Ohio; it also has additional locations in Romania and Taiwan. It has approval to offer up to 100% of its programs through distance learning.

It has been accredited since 1985. Its last reaffirmation in PEAQ was in 2009-10, and it is currently scheduled to be reaffirmed in 2019-20.

Party Two: Altius Education, San Francisco, CO

Altius Education (“AE”), formerly Ivy Bridge LLC, is a Delaware limited liability corporation that describes itself on its website as “combin(ing) the best aspects of a university and a technology company to improve the experience and outcomes of 21st century students. The company’s mission is to develop innovations in virtual learning systems, student services, and educational pathways in order to provide students with an effective and personalized university education.” It was founded by Paul Freedman in 2007 and is funded by Spark Capital, Maveron and Charles River Ventures. In addition to the joint venture of primary interest in this review, Altius Education has also developed a virtual learning platform that Altius Education notes in its website is able to help institutions move quickly into the on-line or virtual learning environment and into competency-based education.

Party Three: Altius University, Toledo, OH/Ivy Bridge College of Tiffin University, Toledo, OH

Altius University (“AU”) is a joint venture registered in Delaware and a Delaware Limited Liability Corporation (“the LLC”) formed and owned by Tiffin and Altius Education. It functions as an entirely on-line institution that offers Associate, Bachelor’s and Master’s degrees. “Ivy Bridge College” had been the legal name of the LLC at the time of its formation, but it had been changed subsequent to formation to Altius University. Despite the name of the LLC formally having been changed to AU, Tiffin continues to use Ivy Bridge to describe what it describes as a division of the College. It is important to note, however, that the Fact-Finding Team found no documentation that at the time of the visit that there was any legal entity then named “Ivy Bridge College.”

Because the activities of Altius University and Ivy Bridge College of Tiffin University in many respects are co-terminus, this report will refer to “AU/Ivy Bridge College”; where these two entities are distinguishable, the report will distinguish them as “AU” or “Ivy Bridge College.” AU/Ivy Bridge personnel, as referenced in the report, are those individuals on the Organizational Chart provided to the Commission in April 2013 who report to the Campus Executive Officer of Ivy Bridge College of Tiffin University but are employed by either Tiffin or AU and those individuals who report to the Vice President of Enrollment Operations of AU and are employed by AU. A copy of this version of the Organizational Chart is attached to this report.

This entity is the primary focus of this review.

Members of the Staff Conducting the Review

Dr. Robert Appleson, Vice President for Accreditation Relations (HLC Staff)

Ms. Karen Solinski, Vice President for Legal and Governmental Affairs (HLC Staff)

Scope of the Commission’s Review and Summary of Findings Related to the Criteria for Accreditation

In this review the Commission considered for approval under the Commission’s Change of Control, Structure or Organization the inclusion of the joint venture, AU/Ivy Bridge College,

in the accreditation of Tiffin and the related formation by Tiffin of the Limited Liability Corporation. In addition, the Commission considered whether the joint venture and Limited Liability Corporation could be approved to be included in the accreditation of the institution based on the Commission's policy on Components of an Accredited Institution. Finally, the Commission also considered alternatively whether the arrangement with AU/Ivy Bridge or AE could be approved as a contractual relationship under the Commission's Institutional Change policy. It is important to note that the current operation of AU/Ivy Bridge as a joint venture reflects the results of a completed transaction; therefore this analysis will be able to consider results from the past four years of the joint venture's operations in assessing whether the Commission's requirements are met.

While both the joint venture and the Limited Liability Corporation were in place at the time of Tiffin's most recent comprehensive evaluation in 2010, it is not clear that the comprehensive evaluation team understood that a joint venture or separate corporation had been formed even though the complex legal documents (Joint Venture Master Agreement; Licensing Agreement; Program Agreement, etc.) related to these arrangements may have been available to the team. Moreover, the team did not recommend any of these arrangements for express approval by a Commission decision-making body (only the Board of Trustees can approve a Change of Control, Structure or Organization) or for a separate follow-up review, which it would have been obligated to do. Instead it appears that it reviewed the situation merely as an expansion of distance education and the development of a student support center in Toledo, indicating the extent of its limited understanding of the relationship. This review by the team did not in any way relieve the institution of the need to have had the joint venture or LLC appropriately reviewed or approved through the Change of Control, Structure or Organization policy or protocol. This review has performed the function of reviewing the joint venture and Limited Liability Corporation for inclusion in the accreditation of Tiffin.

Commission Policy 3.3(c)2 lists the five factors that must be considered by the Board in determining whether to approve a Change of Control, Structure or Organization transaction, and the balance of this report addresses these factors. The report indicates that the joint venture and related LLC do not meet several of these factors for reasons outlined in the report.

The third of these factors reads as follows: "substantial likelihood that the institution, including the revised governance and management structure of the institution, will continue to meet the Commission's Eligibility Requirements and Criteria for Accreditation." Within this third approval factor, and specifically within the Criteria for Accreditation, this report finds that the Change of Control, Structure or Organization does not meet Commission expectations for eight Core Components. The analysis of all approval factors proceeds in the next section of this report, but this section will highlight and summarize those areas of the report where the Commission staff finds Core Components are not met. This report finds that, if the joint venture and related LLC were to be included in the accredited institution, the Criteria for Accreditation would not met be in the areas of:

- integrity in operation (Core Component 2.A);
- board autonomy and decision-making in the best interest of the institution (Core Component 2.C);
- appropriateness of degree programs for higher education (Core Component 3.A);

- intellectual development and integration of learning and skills (Core Component 3.B);
- responsibility for quality of programs (Core Component 4.A);
- student success (Core Component 4.C);
- governance and administrative structures (Core Component 5.B); and
- systematic efforts for improvement (Core Component 5.D).

While there are concerns about some other Core Components, only for the eight listed above do the findings clearly indicate that the Core Components are not met. Issues outside the Core Components are discussed later in this report.

Summary of Findings Related to Core Components

Integrity of Operation (Core Component 2.A).

Tiffin has described its relationship to the Commission in different ways that provide conflicting information about the nature and purpose of the relationship with AU/Ivy Bridge and AE. In addition, its claim to control the academic programs offered by AU/Ivy Bridge is in conflict with the reality that these programs are controlled by AU and thereby by AE. The licensing of these programs to AU/Ivy Bridge has proceeded well beyond the single online program declared in 2010 without seeking necessary approvals from the Commission and from the Ohio Board of Regents. Also, at various points during the Fact-Finding Visit AU/Ivy Bridge personnel made the claim that students' personal financial aid and related information was properly shared with AU and AE because such entities were third-party servicers for financial aid as defined in federal regulations yet Tiffin's Electronic Application (E-App) to the U.S. Department of Education did not identify these parties as such.¹

Tiffin has allowed another entity, AE through AU, to make use of Tiffin's accreditation and several of its academic programs in return for financial benefits including:

- payments for the programs;
- annual service fees (currently exceeding \$450,000);
- 50% of future proceeds from the expected profitability of AU/Ivy Bridge (with the other 50% going to AE); and
- 20% of profits from the sale of AU/Ivy Bridge after it becomes accredited.

The major part of this quid pro quo is noted in Tiffin's audit materials for 2010/2011, and was confirmed by members of the Tiffin Board.

Beyond the financing of the relationship, Tiffin does not provide and has not provided adequate oversight over AU/Ivy Bridge to justify representing the programs at AU/Ivy Bridge as Tiffin programs.

¹ Tiffin argues in its response that the Staff Summary Report incorrectly applies the requirements of the Family and Educational Rights and Privacy Act ("FERPA"). In fact, the Report does not analyze the AU/Ivy Bridge arrangements against the requirements of FERPA but simply reviews the claim made during the Fact-Finding Visit that AE, particularly AU personnel working for AE, had appropriate access to private student financial aid information because it was a third-party servicer for Title IV purposes.

Board Autonomy (Core Component 2.C).

Tiffin's Board of Trustees generally exhibits autonomy in matters not involving AU/Ivy Bridge. However, the Tiffin Board has ceded authority to the AU Board of Managers so as to compromise the autonomy of the Tiffin Board in important respects with regard to AU and Ivy Bridge. Although Tiffin is represented on the Board of Managers, AE has a dominant position in relation to the Tiffin representation by dint of share ownership and in relation to composition of the Board of Managers.

The compromising of Tiffin Board autonomy is illustrated in its decision to license some Bachelor's and Master's level programs to AU/Ivy Bridge (and give up Tiffin's own ability to offer the programs for some years) for the purpose of allowing AU/Ivy Bridge to approach WASC, Senior for accreditation of AU/Ivy Bridge.² In this case, the Tiffin Board placed the interests of AU/Ivy Bridge before those of Tiffin. In addition, the Tiffin Board has little or no governance impact on finances at AU/Ivy Bridge, though AU/Ivy Bridge serves about two fifths of the students that Tiffin counts in its enrollment and for which it draws down Title IV funds under its OPEID.

Appropriateness of Degree Programs for Higher Education (Core Component 3.A).

The initiation of AU/Ivy Bridge has not had a significant effect on the appropriateness of degree programs elsewhere in Tiffin. The Commission's previous review of the courses at the main campus was positive. However, the Fact-Finding Team's review of eleven courses at AU/Ivy Bridge found them lacking in content.³

AU/Ivy Bridge functions more or less autonomously of the main campus in academic matters outside formal curricular change and faculty hiring and promotion. There is a lack of faculty oversight of degree programs at AU-Ivy Bridge and given the poor quality of at least some of the courses, these programs are not appropriate to higher education.

Intellectual Development and Integration of Learning and Skills (Core Component 3.B).

² Tiffin argues in its response that it does not license its programs to AU. However, it is difficult to reconcile this claim with the Intellectual Property License and Assignment Agreement and related amendments to that Agreement in the document file, and statements made by various Tiffin and AU/Ivy Bridge personnel during the visit. Tiffin never adequately explains this claim in light of this other information.

³ Tiffin argues in its response that to find these courses lacking in academic merit is inconsistent with the findings of other entities and the previous evaluation team in 2010. It is the responsibility of the Commission to assess independently of the judgment of other entities the quality of the curriculum provided to students at the time of a review under its current Criteria for Accreditation; in this case, the focus in the review was to assess the quality of the curriculum currently being provided by AU/Ivy Bridge at the time of the Fact-Finding Visit, and that current curriculum was found to be lacking in appropriate college-level academic content.

As in the above Core Component above, the Fact-Finding Team found no problem outside AU/Ivy Bridge. Some of the courses reviewed at AU/Ivy Bridge were general education courses, which shared the character of lack of content and lack of rigor expected in a collegiate course. The highly compressed nature of the online class schedule and the low level of preparation brought by many AU/Ivy Bridge students raise further concerns about the application of intellectual inquiry or integration of broad learning skills taking place in AU/Ivy Bridge courses.

Responsibility for the Quality of Programs (4.A).

Tiffin is not demonstrating responsibility for the quality of the academic programs offered by AU/Ivy Bridge.

Student Success (Core Component 4.C).

As indicated in the attached Non Financial Indicator (“NFI”) analysis, the extremely poor retention rate for new students (25% Fall to Fall) at AU/Ivy Bridge, and the lack of meaningful effort on the part of Tiffin or AU/Ivy Bridge to improve this rate, demonstrates to the Fact-Finding Team that Tiffin does not currently meet this Core Component. In contrast to the 25% rate at AU/Ivy Bridge, the retention rate of newly seated students on the Tiffin main campus is relatively typical of non-selective 4-year institutions at a bit over 60%.⁴

In the face of this situation, the Tiffin Board has not had discussions about student success at AU/Ivy Bridge, and the main campus faculty was reluctant to set any goal for improvement in the AU/Ivy Bridge retention rate. The last-minute projection of improvement by the AE CEO of 35% when asked by the Fact-Finding Team about an appropriate retention rate was markedly insufficient in the eyes of the Team. Tiffin lacks strategies for setting thresholds for student success at AU/Ivy Bridge or the mechanisms to achieve those strategies.

Governance and Administrative Structures (Core Component 5.B).

As with its findings regarding Board autonomy, the Commission staff finds that Tiffin’s governance and administrative structures are adequate for those matters not involving AU/Ivy Bridge. However, with regard to AU/Ivy Bridge, as previously noted, the Tiffin Board has ceded much of its authority to the AU Board of Managers and thus lacks a mechanism to exercise governance effectively over academic and related activities conducted by AU/Ivy Bridge. Despite the Tiffin Board’s subcommittee charged to keep the Tiffin Board appropriately

⁴ The 2010 visit to Tiffin occurred too soon after the initiation of AU/Ivy Bridge to get a meaningful sense of retention. Thus, the 2010 team could not have anticipated a Fall-to Fall retention rate at the level of 25% for newly enrolled students. As indicated elsewhere in this document, representatives of Tiffin and AU/Ivy Bridge consistently attributed this low rate primarily to the poor level of preparation of AU/Ivy Bridge students, who are predominantly part-time. This implies that such students would be retained at similar rates no matter which college they would attend. However, non-selective institutions with high proportions of part-time students have generally demonstrated substantially better retention rates in Commission reviews. The Commission staff believes that these other institutions generally offer more substantive instruction and employ concrete methods, not present at AU/Ivy Bridge, to improve student success.

informed about AU/Ivy Bridge activities and despite Tiffin's representation on the AU Board of Managers, vital matters have been missed. When the Fact-Finding Team asked the Tiffin Board about AU/Ivy Bridge's low graduation and retention rates, the Team found the Board not informed about the issue (though it was not entirely clear what the Board could do about it).

This state of affairs recurs with Tiffin administrators, who have no authority over functional areas at AU/Ivy Bridge and who were not reasonably informed about AU/Ivy Bridge, even though AU/Ivy Bridge claims to be following the same policies. When the Fact-Finding Team asked key administrators at Tiffin about certain problems that might arise in the equivalent functional area at AU/Ivy Bridge, many of them believed that they had no oversight of that area on the AU/Ivy Bridge side or were unsure. This view is clearly reinforced by the organizational chart in which AU/Ivy Bridge personnel ultimately report to the Campus Executive Officer not to any functional department or senior administrator at Tiffin. And the Campus Executive Officer, while ostensibly reporting to the Tiffin president, is listed on the AE website as one of its employees. Tiffin's oversight of AU/Ivy Bridge is nominal at best and does not demonstrate the effective leadership required by this Core Component. In addition, Commission approval of programs licensed under a contractual arrangement requires proper oversight by the accredited institution, and the Fact-Finding Team did not find that this requirement to be fulfilled in this respect either.

Systematic Efforts for Improvement (Core Component 5.D).

As reflected in the discussion of Student Success, there has been inadequate effort to improve the retention rate at AU/Ivy Bridge. Neither Tiffin nor AU/Ivy Bridge faculty could articulate what a reasonable goal might be for retention of AU/Ivy Bridge students or a process by which faculty and administration were examining the serious retention issues and setting goals for improvement.⁵ Likewise other aspects of the AU/Ivy Bridge operation (such as the lack of content in courses) appear either to have been ignored or written out of the responsibilities of Tiffin. The joint venture, as currently structured, cannot allow Tiffin to meet the Core Component associated with Systematic Efforts for Improvement.

The Transaction

Overview

In November 2007 AE, whose corporate name at that time was Ivy Bridge LLC, and Tiffin formed a Delaware Limited Liability Corporation known as Ivy Bridge College ("the LLC"). The purpose of the corporation was stated in the Operating Agreement to be the offering of two-year on-line Associate's degree programs. The LLC has a Board of Managers, rather than a Board of Directors or Board of Trustees, as is typical for LLCs. In the original arrangements, two of the managers were to be appointed by Ivy Bridge; one was to be appointed by Tiffin. AE was to receive 80% of the total units of the corporation of the LLC; Tiffin was to receive 20%. Later the name of the entity was formally changed to AU, but Tiffin continues to refer to it as Ivy Bridge College of Tiffin University. AU/Ivy Bridge College has not been reviewed for

⁵ Tiffin provided with its response a document that outlines targets related to Student Success. However, it is not clear when the document was developed or the role of Tiffin faculty in developing the document. None of the targets identified in the report involve student retention.

accreditation or accredited by any accrediting agency recognized by the U.S. Department of Education.

The following month, December 2007, Tiffin, AE and Ivy Bridge LLC established and registered a joint venture under the laws of the State of Delaware. AE provided \$500,000 in cash at the closing and received Series A Preferred Units in Ivy Bridge College; AE also agreed to provide \$1.5 million as a line against which Ivy Bridge College could draw if needed for start-up and other expenses. Tiffin invested no cash monies in the joint venture either at the outset of its existence or at any later date. Tiffin provided its consent to use the Tiffin name in connection with Ivy Bridge College. In addition to owning 20% of the LLC, Tiffin was to receive an annual service fee linked to the enrollment in Ivy Bridge College and 50% of the operating surplus once Ivy Bridge College became profitable. In the pro forma included in the Joint Venture Agreement the parties estimated an enrollment growth in Ivy Bridge College from 200 to 900 students and growth in revenues from \$2 million to \$9 million between 2008-09 and 2013-14. Ivy Bridge College was to offer the Associate in General Studies using educational programs and courses initially provided by Tiffin. In conjunction with these agreements the parties also executed a licensing agreement and a program agreement whereby Ivy Bridge College could use the intellectual property of Tiffin, in particular its Associate of General Studies degree.

Under the Commission's Change of Control, Structure or Organization policy (Policy 3.3), the sale or transfer by an accredited institution of institutional assets to create a joint venture requires the Commission's approval. In addition, for an institution to add a new component, including a joint venture or limited liability corporation, to its accreditation also requires the Commission's approval under its policy on Characteristics of a Component That May Be Included in the Institution's Affiliation (Policy 3.4). The purpose of this evaluation outlined in this report is to review the transfer of institutional assets to create the joint venture and to determine whether the accreditation of Tiffin can be extended to include the joint venture and the associated limited liability corporation. This review examined to a lesser degree the plan of the parties to spin-off AU/Ivy Bridge as a separately accredited entity. However, even setting aside the Change of Control, Structure or Organization and the addition of a new component in Tiffin's accreditation, a licensing agreement to or contractual agreement with a non-accredited entity for the offering of 25% or more of a program requires Commission approval; such licensing or contractual relationship took place here both with regard to AU/Ivy Bridge, a separate corporation never formally approved by the Commission to be included in Tiffin's accreditation, and AE. Therefore this evaluation must also consider the consequence of such outsourcing.

The Commission also included its follow-up review of NFIs of Tiffin in this Change of Control, Structure or Organization review. The NFI analysis is appended separately, but parts of the present document refer to it.

This review for Change of Control, Structure or Organization and related issues does not consider for approval the Oakland branch campus requested by Tiffin.

History Leading to the Transaction

The Joint Venture Master Agreement noted a number of factors that led to the joint venture. It noted, for example, that the parties determined that the business venture would combine the “authorizations and expertise” of Tiffin with the “capital resources and expertise” of AE for the purpose of offering an online Associate of Arts in General Studies. It further noted AE’s claim to have created a program, including “methodologies and courses for assisting students entering postsecondary education from high school to better prepare for success in college.” Finally, it indicates that the joint venture, AU/Ivy Bridge College, expected ultimately to become a separately accredited institution.

The President of Tiffin reported to the Fact-Finding Team that the concept of the joint venture was developed between Paul Freedman, the founder of AE, and a senior administrator at Tiffin. He noted that the primary attraction of the joint venture for Tiffin was its capacity to provide improved access to new populations of students for Tiffin, which aligns with Tiffin’s historical mission of assisting students. It should also be noted, however, that at the time of the creation of the joint venture the College had significant financial issues. The Commission’s evaluation team in 2010 noted that Tiffin had a history of long-term debt, declining enrollment, and an endowment that was very low for an institution of Tiffin’s size. The pro forma associated with the Joint Venture Master Agreement outlined projections of increased enrollment and additional revenues resulting from the arrangement. Since these students would be Tiffin’s students, Tiffin would be able to demonstrate increased enrollments fairly quickly. The President also acknowledged that he had hoped that Tiffin would gain in the short-term some portion of the operating revenues and in the long-term significant revenues from Tiffin’s 20% equity in AU/Ivy Bridge in the event that it becomes separately accredited and is then sold or has an Initial Public Offering. The Fact-Finding Team also asked Mr. Freedman, the President and founder of AE, about his intent in forming the joint venture. While he noted his interest in improving student access and retention, it was not clear what his motivation had been in going to the extent of forming a corporate entity that would ultimately seek its own accreditation as a for-profit college rather than, for example, providing services or technical assistance under a contract. Both Mr. Freedman and the Tiffin President have stated that the day to day functions of AU/Ivy Bridge were set up to preserve Tiffin’s control over the academic content, faculty, support services, etc. at AU/Ivy Bridge and that AE’s role was largely to provide expertise and capital.

At various times during the course of the relationship the parties executed revised versions of the underlying agreements. These revisions provided, among other things, for the parties to offer additional educational programs through the joint venture including an Associate’s degree in Criminal Justice and in Business Administration, a Bachelor of Arts in Professional Studies and, a Master’s in Education with a concentration in Classroom Teaching. The Fact-Finding Team asked about the decision to have AU/Ivy Bridge College offer upper-level degree programs despite its stated purpose of focusing on Associate’s level education to create improved access and support for students who were interested in transitioning from an Associate’s to a Bachelor’s program. The President of Tiffin noted that the primary driver for this decision was to ensure that AU had appropriate degree programs to apply for accreditation with the Western Association of Colleges and Schools, Senior Commission. At one point, the President also characterized this licensing of programs to AU/Ivy Bridge as outsourcing.

AE has continued to contribute financially to the growth of AU/Ivy Bridge subsequent to

the initiation of the joint venture. AE has contributed more than \$10 million to the development of AU/Ivy Bridge. Substantial amounts of these monies, however, have been invested in marketing and recruiting. Tiffin has contributed no monies. It has received some revenues from the joint venture. It has received an increasing service fee that totaled \$460,000 for the last fiscal year. There have been no operating surpluses as yet because AU/Ivy Bridge has not yet become profitable; therefore, Tiffin has not yet received any revenue from this source. Tiffin has, however, licensed the Bachelor and Master of Business Administration in Elder Care Management as well as a Master of Education with a concentration in teaching to AU/Ivy Bridge. In contrast to most licensing agreements that may provide some initial upfront cash for the party licensing its property but that focus largely on the payment of royalties over time, Tiffin received a considerable upfront payment of approximately \$1,000,000 in cash, additional common units in AU/Ivy Bridge and a modification to the agreements to allow it to receive earn-out consideration when the number of successfully earned credit hours exceeded 4,000.

Tiffin has reported that shortly after the formation of the LLC and joint venture it notified the Commission office about the new entity. At the time of the reporting, the Commission had no policy that would have related to the establishment of a joint venture. In 2009-10, when Tiffin hosted its most recent comprehensive evaluation, the Commission had very recently adopted its Change of Control, Structure or Organization policy, which was further refined in June of 2010. That policy required the Commission's approval for the sale or transfer of an institution's assets, release of an interest in an institution, or other transactions. In addition, the Commission's policy on Components of an Accredited Institution adopted at the same time made clear that Commission approval is required to extend accreditation to a new corporate structure that an accredited college may form to provide academic programs or support services to students. Although the comprehensive evaluation team may have been aware of the joint venture and made generally favorable statements about it, the evaluation team largely considered it as an expansion of distance education and the creation of a center in Toledo. Commission records provide no evidence that Tiffin formally reported the legal arrangement and sought approval for it under these policies, as Commission Obligations of Affiliation require.

In addition to requirements for Change of Control in Commission policy, there are requirements for review and approval of outsourcing 25% or more of an academic program to a non-accredited entity. These requirements were established in June 2010 (after Tiffin's most recent comprehensive visit) and revised in November 2011. The requirements mirror federal regulations designed to control outsourcing that could divert Title IV federal financial aid to entities that have not been accredited by a U.S. Department of Education-recognized body. These regulations do not permit an accrediting agency to grandfather any institution that may have had a relationship in place prior to the inception of the policy. The Commission received no request from Tiffin to review the licensing of any of its programs to AU/Ivy Bridge. Other than the original AU/Ivy Bridge Associate of Arts program, each of the programs in question was licensed to AU/Ivy Bridge after 2010.

In December of 2011, the Commission received a letter from the Tiffin President reporting the intent of AU/Ivy Bridge to seek accreditation from the WASC-Sr., and reporting a current student body at AU of more than 3,000 students. The Commission also received a whistleblower complaint that reported that the parties had executed a Memorandum of

Understanding in which AU would begin to conduct certain activities under its own authority and without oversight by Tiffin in preparation for seeking accreditation with WASC-Sr. The Commission contacted the institution's President for more information and requested and received the legal documents including the Joint Venture Master Agreement, Memorandum of Understanding, a subsequent revision of that document, and other related documents. In response President Manning made clear that Tiffin would have to initiate a Change of Control, Structure, or Organization review as soon as possible.

Tiffin has argued in its response to this report that neither the Change of Control, Structure or Organization policy, requiring approval of a joint venture or limited liability corporation by the Commission's Board of Trustees for such structures to be included in the accreditation of an institution, or the Institutional Change policy, requiring approval by the Commission's Institutional Actions Council of the outsourcing of 25% or more of an academic program to a third party, are applicable. First, it has argued that the relationship with Altius Education was formed prior to the adoption of the relevant policies. While the arrangements with Altius Education and the LLC were initiated in late 2007-early 2008, prior to the Commission's current policy on Change of Control, Structure, or Organization, which was adopted in June of 2009 and revised in February 2010, or the Institutional Change policy, which was adopted in June 2010, no institution is excused from compliance with current Commission policy for ongoing arrangements unless the Commission's Board of Trustees expressly grandfathers or exempts that institution. The relationship with Altius Education and the associated joint venture and limited liability corporation are ongoing arrangements. The Board of Trustees grandfathered no institution from the current Change of Control, Structure or Organization policy or the current Institutional Change policy. Second, it has argued that the comprehensive evaluation in 2009-10 should be deemed to have reviewed these arrangements, and that such review was sufficient to demonstrate compliance with the policy. As noted elsewhere in this report, the scope of the team's review and its understanding of these arrangements is unclear. What is clear is that the team did not expressly recommend these arrangements for approval by a Commission decision-making body; such approval is required before the arrangement can be included in the institution's accredited status. There was no decision by a Commission decision-making body formally approving these arrangements. Therefore these arrangements must now either be formally approved or the institution must discontinue the relationship requiring approval.

State/Federal Review of the Proposed Transaction

Tiffin asserted that no state or federal approval of this arrangement was required. However, there are questions about whether the institution has properly reported this arrangement to state or federal government.

At the state level, when the Ohio Board of Regents ("OBR") learned of the Change of Control visit according to normal sharing of information with such agencies, its Office of Academic Affairs indicated that the institution was to have alerted OBR of its intentions with regard to these arrangements. Furthermore, according to the Office of Academic Affairs, the growth in academic programs licensed to AU/Ivy Bridge probably required OBR approval.

As a matter of federal concern, AU/Ivy Bridge employees and AE employees confirmed to the Fact-Finding Team that they did have access to confidential student information related to student financial aid in order to do their jobs properly. When the Fact-Finding Team asked on what legal basis confidential student information related to financial aid could be available to these employees, they replied that they were third-party servicers, as defined in federal regulations, and therefore such access to confidential student information related to financial aid was appropriate. In fact, the Electronic Application prepared by Tiffin for the U.S. Department of Education does not report AU or AE as a third-party service provider. If either entity is a third-party service provider, it has not been reported by Tiffin as such. In addition, the U.S. Department of Education has been in communication with Tiffin about its 2010 financial audit. That audit noted substantial irregularities in the administration of Title IV financial aid and has identified proposed penalties. Tiffin is in the process of an appeal.

Commission Review of the Transaction

The Commission reviewed the Change of Control documentation and determined that a Fact-Finding Visit was necessary to gain better understanding of the joint venture and the arrangements between the parties to the joint venture. Further analysis of these materials, along with the information gathered during the fact-finding visit, against the Commission's Approval Factors follows.

Analysis of the Approval Factors

1. Extension of the mission, educational programs, student body, and faculty that were in place when the Commission last conducted an on-site evaluation of the affiliated institution:

• **Mission:** The mission of Tiffin is as follows: *offer quality, professionally-focused learning-centered undergraduate and graduate degree programs and life-long learning opportunities to prepare traditional college-age students and adult students for successful careers and for productive and satisfying lives; work with employers and specific professions to anticipate, design and deliver effective academic programs....*

Both Tiffin and AE have emphasized that the stated mission of the institution did not change with the initiation of the joint venture and LLC, AU/Ivy Bridge, nor has it changed subsequently. However, the effective mission of the institution has shifted with the inception of this relationship. A key focus of the institution and its activities is now on the relationship with AU/Ivy Bridge as demonstrated in the organizational chart, which has a substantial position on that chart occupied by the joint venture, and on a large, new population of open-access students in the Associate's program, as described further in subsequent sections.

• **Educational Programs.** The programs offered by AU/Ivy Bridge are programs that have been historically offered by Tiffin but have been transferred through a licensing agreement to AU/Ivy Bridge. The Fact-Finding Team asked institutional representatives about how an academic program moves from Tiffin's inventory to being delivered through AU/Ivy

Bridge. Once all parties agree to the legal terms related to the new disposition of the program, the program is then listed in the inventory of AU/Ivy Bridge. At first the program may remain largely unchanged. However, AE begins to make various modifications to the courses. These modifications seem to be of a technical nature to improve the interface for on-line students, but they also reflect the expertise and methodologies identified in the Joint Venture Master Agreement that AE brought to the relationship, particularly the expertise and methodologies claimed by AE to assist two-year students in completing and transitioning to a four-year institution. Institutional representatives explained that the exercises and other aspects of courses change even while the overarching goals may remain the same. Therefore the educational programs provided by Tiffin are not consistent in experience with the educational programs provided by AU/Ivy Bridge even though they are all formally identified as Tiffin programs.

• **Student Body:** The following enrollment information was reported by Tiffin on May 8, 2012 and updated in the most recent Tiffin submission to the Commission prior to the Fact-Finding Visit:

	Fall 07	Fall 08	Fall 09	Fall 10	Fall 11	Fall 12
Total Headcount	2,349	2,705	3,422	4,940	6,816	6,920
Undergrad.	1,634	1,809	1,944	2,202	2,435	2,887
Graduate	715	864	1,053	1,125	1,167	1,192
Ivy Bridge	0	32	425	1,613	3,214	2,841

While Tiffin undergraduate and graduate programs have experienced respectable growth during the past five years, the enrollment increase of AU/Ivy Bridge has been marked, and the population of students in the AU/Ivy Bridge programs is different. During the Fact-Finding Visit the team asked about the composition of the AU/Ivy Bridge student population. While no formal demographic data were provided, several groups of institutional representatives mentioned that there were many first generation, particularly female, younger students, sometimes with small children, who were enrolled in AU/Ivy Bridge and who needed the flexibility AU/Ivy Bridge provides. In the Fact-Finding Visit Team's conference call with AU/Ivy Bridge students, however, a preponderance of these students, while undoubtedly a small subset of the overall study body, seemed to be older students who related issues they had experienced at other colleges prior to attending AU/Ivy Bridge. While the student population of AU/Ivy Bridge no doubt includes representation from several demographic groups of students, these students are open-access students who need only to have a high school degree or GED and pass a College Readiness Test. These requirements are similar to those of many community colleges and other largely open-access institutions. In contrast Tiffin itself is not an open-access institution but has established admission standards. The population of AU/Ivy Bridge students is different from the traditional age students on the main campus or the working adults at Tiffin's additional locations in Ohio who must meet Tiffin admissions standards in order to matriculate at Tiffin.

In addition, it was unclear how the AU/Ivy Bridge students were integrated into the overall student body of Tiffin. They seemed to be treated both for actual and reporting purposes as a distinct student population outside of the regular student populations, even identifying themselves in the Fact-Finding Team's call as Ivy Bridge students rather than Tiffin students.

•**Faculty:** The following faculty information was reported in the October 2012 filing:

	Tiffin	AU/Ivy Bridge
Full-Time Faculty	70	11
Adjunct Faculty	18	--
Part-Time Adjunct Instructors	100-125	125-175

Despite the growing student population at AU/Ivy Bridge, noted on the preceding page, and the fact that AU/Ivy Bridge had almost as many students as the graduate and undergraduate enrollment combined of Tiffin, AU/Ivy Bridge had only 11 full-time faculty members at the time this information was submitted by Tiffin in the fall of 2012. The information demonstrates different hiring patterns at AU/Ivy Bridge than at Tiffin in the hiring of faculty members from a model with a body of full-time faculty to one with fewer faculty members for an enterprise that is growing quickly in volume. In addition, AU/Ivy Bridge relies more heavily on adjuncts than Tiffin does for its regular enrollment students, as demonstrated in this data.

The evidence available to the Fact-Finding Team indicates the effective mission, educational programs, student body and faculty at Tiffin have changed significantly with the initiation of AU/Ivy Bridge into Tiffin.

2. The ongoing continuation and maintenance of the institution historically affiliated with the Commission with regard to its mission, objectives, outreach, scope, structure and related factors:

The institution has experienced recent expansion in all these areas as a result of initiating the joint venture. The scope and outreach of Tiffin have increased as a result of the initiation of the joint venture. While Tiffin notes that it has historically served rural and other first generation college students in western Ohio and neighboring states, the AU/Ivy Bridge students are from across the U.S. They vary in age and in experience with higher education. Tiffin representatives report that many of the AU/Ivy Bridge students are at-risk students who have had challenges with higher education at other institutions, and the student conference call with the Fact-Finding Team confirms that description of students at AU/Ivy Bridge. AU/Ivy Bridge advertises nationally through Google, Yahoo and other on-line search engines, which has also expanded the outreach of Tiffin as AU/Ivy Bridge brings in a group of students who respond to national advertising. This broad population of open-access students from across the U.S. now comprises roughly 41% of the total student body of Tiffin.

As noted above, the organizational structure of Tiffin has expanded to include the AU/Ivy

Bridge operation and in many areas has been structured so as to facilitate interaction with AU/Ivy Bridge personnel, or at least interaction between limited individuals at Tiffin and AU/Ivy Bridge, as noted below. However, while the organizational structure of the institution has shifted to include the joint venture, Tiffin's central administration does not exercise responsibility for AU/Ivy Bridge in the same way as it does for its other units, as outlined in subsequent sections of this report.

The evidence available to the Fact-Finding Team indicates that the joint venture has brought about sudden expansion at the institution accredited by the Commission in all the ways noted in this factor, and the accredited institution is not providing appropriate oversight over, or other controlling, this expansion.

3. Substantial likelihood that the institution, including the revised governance and management structure of the institution, will continue to meet the Commission's Eligibility Requirements and Criteria for Accreditation:

The institution submitted documentation that speaks to the *Eligibility Requirements* and the *Criteria for Accreditation* and supporting *Core Components*. Tiffin's next reaffirmation of accreditation is scheduled for 2019-2020. Tiffin currently participates in the Commission's Standard Pathway. However, in accordance with Commission policy, Tiffin will be ineligible for either the Open or AQIP Pathways if the requested Change of Control is approved, thus placing Tiffin in the Standard Pathway for a period of no fewer than ten years.

[NOTE: The following evidence is outlined in relation to Tiffin, including AU/Ivy Bridge as a component of the institution. The Commission did not directly consider at this stage what the effect on Tiffin would be of AU/Ivy Bridge seeking separate accreditation from WASC.]

Assessment of Compliance with Eligibility Requirements after the Transaction

1. Hold an appropriate legal status to operate as an organization offering higher learning in one of the states or sovereign nations with the North Central region, and have the legal authority to award higher education degrees and any educational offerings wherever and however delivered.

Tiffin appears to be in good standing in the State of Ohio to operate programs of higher education, and it is eligible to participate in the student financial assistance programs authorized by Title IV of the Higher Education Act of 1965. As noted above, however, Tiffin has not kept the Ohio Board of Regents or the U.S. Department of Education appropriately notified about the role of the joint venture, the LLC, and the role of AE, the partner in the joint venture. However, there is no evidence at this time to indicate that its standing with regard to these bodies has changed or will change as a result of the joint venture or LLC.

2. Publish and make available to students and the broader public a statement of mission approved by its governing Board defining clearly the nature and purpose of the higher learning provided by the organization and the students for whom it is intended.

The mission statement of Tiffin has been made widely known to institutional stakeholders through its website. AU/Ivy Bridge College has a separate web page that describes its operations. The mission of Tiffin is not expressly stated anywhere on that website although students can find the Tiffin mission statement if they go to Tiffin's website.

3. Have students enrolled in its degree programs before achieving candidacy or have graduated student from its degree programs before achieving accreditation.

Students are enrolled in degree programs at Tiffin and at AU/Ivy Bridge College.

4. Document governance and administrative structures that legally enable the organization to protect its educational and institutional integrity.

Governance

The Bylaws of Tiffin provide for a Board of Trustees of not less than five and not more than 24 Trustees. Currently the Board has twenty Board members including the President who is ex officio; it also has six Board members who are emeritus and are non-voting. Each Board member serves a three-year term and may serve more than one term. The Board is self-perpetuating. It has the authority to make financial decisions for Tiffin including approving budgets, reviewing the financial audit, and taking on indebtedness; it also has the authority to hire, terminate and review the President of Tiffin. The Board's structures and practices appear to be unchanged as a result of the joint venture. However, the Board has a new subcommittee called the "AU Committee of the TU Board of Trustees." This subcommittee facilitates the Board's knowledge of the AU/Ivy Bridge operation.

AU, and effectively Ivy Bridge to the extent those entities are co-terminus, is not directly governed by the Tiffin Board of Trustees. Instead it has a Board of Managers that is chosen by the Members of the LLC, AE and Tiffin. The Board of Managers currently has three representatives of AE and two representatives of Tiffin, including the President and the chair of the Board's AU Committee. The Board of Managers is entrusted according to the Operating Agreement with the power and discretion to manage and control the business, property and affairs of AU/Ivy Bridge. The Managers may allow for payments to themselves or other distributions, elect officers and perform other jobs as outlined in the Operating Agreement.

Administration

Tiffin has an administrative structure that includes a President and four Vice Presidents with areas of responsibility in Human Resources and Campus Services; Finance and Administration; Development and Public Affairs; and Academic Affairs. Admission and Financial Aid is headed by a Dean. These administrators reside in Tiffin, Ohio. Each Vice President has a number of offices that report to that individual. In Academic Affairs, for example, the Deans of the various schools of arts and sciences, business, music, etc. report to the Vice President. In addition, within the Tiffin administrative structure and reporting to Tiffin is a Campus Executive Officer who oversees AU/Ivy Bridge. On the organizational chart, the Campus Executive Officer reports directly to the President of Tiffin and has only an indirect reporting relationship to the Vice President of Academic Affairs and none to any other Vice President.

AU/Ivy Bridge is not administered through the existing administrative structure of Tiffin. AU/Ivy Bridge has its own administrators and employees. A Vice President of Enrollment Operations reports to the CEO of Altius Education. Reporting to the Vice President are Directors of Enrollment Management, Student Success Services, Human Resources and Channel Operations. Although the Campus Executive Officer of Toledo is employed by Tiffin, that individual has a large number of administrators who report to her, and they include both Tiffin and AU employees. These individuals include an Academic Dean, Associate Dean of Curriculum Learning Systems, Vice President of Student Engagement, Director of Compliance, etc. Some of these positions, for example, are not replicated anywhere within the Tiffin structure; in the rare cases where they are replicated, there is no stated reason why there are two separate positions. In addition, the Campus Executive Officer has faculty members and division chairs who report to her through the Academic Dean; neither the Academic Dean for AU/Ivy Bridge nor the faculty report to the Vice President for Academic Affairs for Tiffin.

The AE website lists as AE team members not only the officers of AE but also the Vice Presidents of Enrollment Operations and of Student Engagement who ostensibly work for AU/Ivy Bridge. It also lists the Campus Executive Officer as an individual who has joined the AE team even though Tiffin reported the Campus Executive Officer as a Tiffin employee who works for Tiffin.

The evidence indicates that Tiffin, with the inclusion of AU/Ivy Bridge, does not meet this Eligibility Requirement.

5. Document it has core values and strategic priorities that assure that its graduates will be capable of contributing to the communities in which they live and work.

Tiffin has identified in its written materials core values and strategic priorities. These materials outline Tiffin's interest in assuring its community that Tiffin students are prepared to embark on a career after college and to continue contributing to their communities. The AU/Ivy Bridge College website notes a similar focus on student success.

6. Demonstrate that it has engaged qualified academic personnel essential to assure effective curriculum, instruction, and academic programs.

Tiffin indicated that it has 70 full-time, 18 adjunct and 100 to 125 part-time adjunct instructors who teach one to two courses per semester. Tiffin faculty members hold Master's or Doctoral credentials in the discipline in which they teach and seem appropriately qualified for their roles. AU/Ivy Bridge has 11 full-time faculty members and 125-175 adjunct instructors. Tiffin's documentation reports that AU/Ivy Bridge requires that faculty members have a credential at least one level higher than the College offers. These faculty members generally seem to be engaged in the typical faculty tasks of instructing students and updating curriculum and academic programs when appropriate.

7. Demonstrate ownership of or responsibility for assuring access to the learning resources and support services necessary to facilitate the learning experience expected of enrolled students.

Tiffin offers access to its students to appropriate learning resources and student services. Tiffin students have access to library resources including sophisticated on-line databases to support the learning process and to a registrar, student financial services, advising and tutoring. AU/Ivy Bridge students have access to some of these services such as the on-line databases associated with the library. However, in other respects AU/Ivy Bridge students have access to very different resources. For example, AU/Ivy Bridge students do not use the Tiffin advisors but have their own support team that includes advisors, success coaches, tutors for certain students, and a different group of financial aid counselors.

8. Provide documentation of existing and future financial capacity.

Tiffin has had a history of financial challenges that the most recent comprehensive evaluation team outlined. Tiffin continues to have approximately \$28 million in long-term debt. However, Tiffin has demonstrated some progress since the comprehensive evaluation visit in other aspects of its financial situation. Its net tuition revenue has been steadily rising from \$23 million in 2009-10 to \$30 million in 2011-12 to \$36 million projected for 2016-17. In addition, it has also benefited from improved gift-giving, going from \$817,190 in 2009-10 to \$1.5 million projected for 2012-13. With the improved economy, the value of the endowment has also increased from \$4.9 million in 2009-10 to \$7 million in 2011-12. Tiffin notes that its growing prosperity is generally attributable to increasing revenues at a greater rate than expenditures and without reliance on the joint venture and related LLC; while Tiffin has received some payments from the joint venture, these payments have been modest in size. Tiffin appears to have an improving financial situation that indicates it has sufficient financial capacity to sustain its operations.

The financial statements of the joint venture, AU/Ivy Bridge, show operating losses of \$10 million in 2011 and \$5 million in 2010. The financial statements note that AU/Ivy Bridge has funded its operating losses through additional sales of preferred and common units to the joint venture partners. Tiffin's October 2012 submission notes that AE has contributed more than \$10 million to AU/Ivy Bridge whereas Tiffin has contributed no monies. As Tiffin's 2011 audited financial statements note, Tiffin extends its accreditation, financial aid and academic resources to AU in return for a monthly service fee. The financial statements note, however, that the "ability of AU/Ivy Bridge to carry out its business plan is dependent on its ability to i) obtain sufficient capital and ii) generate sufficient revenues and cash flows through future sales of its services and through the successful persistence of students." Tiffin representatives indicated to the Fact-Finding team their expectation that AU/Ivy Bridge may break even this year, but the long-term financial capacity of this new operation remains unproven.

9. Provide students with electronic or print documents that outline educational requirements appropriate in terms of length, content, and required learning outcomes.

Tiffin's programs are outlined in its Academic Bulletin, which students can download from Tiffin's website. Tiffin has graduate and undergraduate programs that generally conform to expectations under Commission policy for total number of credit hours. Its programs are composed of courses that are generally two to four credit hours. These courses and programs appear to have appropriate required learning outcomes as stated in Tiffin documents. The

Academic Bulletin does not provide any details about the programs at AU/Ivy Bridge, referring students instead to that website. The AU/Ivy Bridge website outlines the programs and courses offered by AU/Ivy Bridge. Like the courses in the Tiffin catalog, these courses are generally three credit hours in length. The course descriptions describe material generally covered in college courses. The courses AU/Ivy Bridge offers are listed in Tiffin's Academic Bulletin, in some cases under different names or course numbers or with a slightly different course description. In addition, the AU/Ivy Bridge website provides limited or no information about intended learning outcomes rather than merely career or transfer outcomes of the programs. While such learning outcomes exist and were provided to the Commission, it is not clear how students receive this information. The significance of this and related information under the Eligibility Requirements is to note the ongoing discrepancies between how Tiffin is operated and how AU/Ivy Bridge is operated.

10. Document that it presents itself to the public and prospective and enrolled students fairly and accurately with up-to-date information published electronically or in print about credit transfer, cost and refunds, financial aid, and the accreditation status of the organization and its programs.

Both Tiffin and AU/Ivy Bridge have up-to-date websites that include information about student life. Both websites appear to include some financial information or a mechanism for prospective students to get such financial information quickly. Both websites have accreditation information. However, the AU/Ivy Bridge website included general information about accreditation by specialized or professional accrediting agencies without identifying specifically which of the programs offered by AU/Ivy Bridge were accredited by a specialized or professional accrediting agency. Tiffin's Academic Bulletin outlines its policies on transfer and refunds. There appeared to be no information on the AU/Ivy Bridge website that addressed the topics of transfer credits accepted from incoming students and refunds, nor was it clear that the information in the Tiffin Academic Bulletin applied to AU/Ivy Bridge.

11. Document that it provides its students, administrators, faculty and staff with the policies and procedures informing them of their rights and responsibilities within the organization.

Tiffin has appropriate information on its website to comply with requirements about policies for students. AU/Ivy Bridge's website lacks basic student policy information, and it is not clear on that website where such basic information is available. There is a link from the AU/Ivy Bridge website to Tiffin, but that link takes a student to a page on the AU/Ivy Bridge website and not directly to Tiffin. On the Tiffin website it is not really clear what policies and procedures, student services, etc. apply to AU/Ivy Bridge. Some portions of Tiffin's Academic Bulletin may apply to AU/Ivy Bridge students, but it was not clear in that document which policies applied and which did not, and there is no direct link between the Tiffin Academic Bulletin and the AU/Ivy Bridge website.

12. Present evidence of ongoing planning that includes a realistic action plan for achieving accreditation with the Commission within the period time set by Commission policy.

Tiffin is currently accredited by the Higher Learning Commission. Therefore this requirement is not applicable.

The evidence available to the Fact-Finding Team indicates that the institution with the inclusion of the joint venture continues to meet the Eligibility Requirements with the exception of Eligibility Requirement #4. The joint venture and related LLC are not governed by the existing governance and administrative structures of Tiffin. (See also Criterion Two and Five.) In addition, the analysis frequently notes differences in how Tiffin and AU/Ivy Bridge are managed with regard to student information, student support services and other important aspects of institutional operations identified in these Requirements. These differences are relevant in determining whether AU/Ivy Bridge is sufficiently under the control of Tiffin and a part of Tiffin such that its accreditation should be extended to the joint venture.

Assessment of Compliance with the Criteria for Accreditation after the Transaction

Criterion One. Mission

The institution's mission is clear and articulated publicly; it guides the institution's operations.

Core Components

- 1.A. The institution's mission is broadly understood within the institution and guides its operations
- 1.B. The mission is articulated publicly.
- 1.C. The institution understands the relationship between its mission and the diversity of society.
- 1.D. The institution's mission demonstrates commitment to the public good.

Tiffin's mission is articulated through its website and in its documents. As noted above and summarized here, that mission is to provide appropriate quality degree programs and to prepare students from a wide variety of backgrounds for careers and productive lives in a diverse society. The mission and vision statements outline a broad commitment to the public good through the preparation of individuals to meet their responsibilities as individuals and workers. The statements also acknowledge Tiffin's responsibilities as an institution to prepare individuals through higher education to provide leadership and service in their lives after college. The Fact-Finding Team spoke with various constituencies across the institution, and there was clear understanding of that mission and vision demonstrated by all parties at Tiffin itself.

Whether Tiffin's mission is reflected in its association with AU/Ivy Bridge is not as clear. As noted under Eligibility Requirement #2, the AU/Ivy Bridge website has no information about the Tiffin mission. Dean Kim Brooks is quoted on that website discussing the mission of Ivy Bridge College, not the mission of Tiffin, as if the mission of Ivy Bridge College were separate and distinct. The implicit references to mission on her web page at the Ivy Bridge College site note the importance of access, opportunity and support. While these values are somewhat similar to the values espoused in the Tiffin mission and vision statements, the emphasis in those

statements is not on access in the same way that it is articulated in her statements or on the AU/Ivy Bridge website. Tiffin denied to the Fact-Finding Team that the mission of AU/Ivy Bridge, as explained on its website, was in any way different from that of Tiffin. This difference is significant in assessing whether Tiffin is grappling with effective changes in mission resulting from its association with AU/Ivy Bridge but also significant in assessing Tiffin's claim that it appropriately controls AU/Ivy Bridge and that AU/Ivy Bridge functions as an integrated component of the institution.

Finally, the joint venture seems now to be a major focus of Tiffin's operations. It occupies a large portion of the organizational chart of Tiffin. The number of Associate's and other students in AU/Ivy Bridge are as many as the number of students in Tiffin's regular undergraduate program. Interviews with Tiffin personnel noted a major focus in day-to-day operations on interaction with personnel at AU/Ivy Bridge. The initiation of this venture and its ongoing operation seems to demonstrate an extension or a shift in the effective mission of Tiffin as it now embraces an entity, AU/Ivy Bridge, that is focused on providing access, opportunity and support to a broad population of students across the country. Despite this new major focus in its life as an institution, Tiffin has yet to acknowledge any implications for its mission.

While it appears likely that Tiffin can continue to meet Criterion One, including all Core Components, this joint venture represents an expansion of the mission with which Tiffin has not fully grappled and which it continues to deny is taking place. Therefore this Criterion is met but with concerns.

Criterion Two. Integrity: Ethical and Responsible Conduct

The institution acts with integrity; its conduct is ethical and responsible.

Core Components

2.A. The institution operates with integrity in its financial, academic, personnel, and auxiliary functions; it establishes and follows fair and ethical policies and processes for its governing board.

With regard to its regular affairs on the main campus, Tiffin is behaving with the integrity anticipated by this Core Component. With regard to the AU/Ivy Bridge operation, Tiffin has generally been forthcoming with the Commission about the existence of the relationship. However, Tiffin has not been either candid or consistent in describing the details of this relationship. Tiffin has variously described in its documents its relationship with AE as a joint venture (Substantive Change Application: Branch Campus and Additional Locations); a partnership (Marion Letter March 9, 2012); or a service provider (Required Documents for Change of Control and Fact-Finding Visit interviews). It also described AU/Ivy Bridge as a funding vehicle (Marion Letter March 9, 2012). These various means of describing the relationship do not provide a clear, candid explanation to the Commission of the nature of the relationship or the goals of the parties and do not demonstrate the integrity expected by this Core Component.

Also, Tiffin has made other claims that indicate a lack of integrity. It continues to claim

that it has academic control over programs that it licensed to AU/Ivy Bridge in exchange for considerable compensation. Having effectively sold these programs, Tiffin's claim that it continues to control these programs is at variance with the reality that Tiffin exercises little if any control over these programs, as discussed subsequently in greater detail, and with terms in the Program Agreement that indicate that the licensee may without limitation modify, transfer, or improve these programs. (See First Amendment to Intellectual Property License and Assignment.) Finally, the claim made by several AU/Ivy Bridge and AE employees that AU and AE were third-party servicers for Title IV federal financial aid and therefore could reasonably have access to private student financial aid and related information was not documented by its Electronic Application to the U.S. Department of Education in which AE (or AU as a unique entity) was not listed as such. Most recently, in response to this report (Marion Letter June 13, 2013), Tiffin described its relationship with AE to create AU as one simply providing educational services such as marketing, help desk, technology support, etc., even though the Joint Venture Master Agreement, Program Agreement, and Licensing Agreement between AE and Tiffin or related parties clearly delineate much more complex legal arrangements than that of a service agreement. In lacking a consistent approach to communicating with the Commission about the joint venture and the LLC, and in putting forward claims that are at variance with business facts, the Fact-Finding Team concluded that Tiffin was not behaving with the integrity expected of an accredited institution.

Most significantly, it appears that Tiffin has allowed another entity, AE through AU, to make use of Tiffin's accreditation and several of its academic programs in return for which Tiffin has derived some current and future financial benefits. These benefits include: payment for the programs; annual services fees to Tiffin (currently exceeding \$450,000 a year); 50% of future proceeds from the joint venture once it achieves profitability; and 20% of the revenue from the sale of AU/Ivy Bridge if it is sold or has an initial public offering. This quid pro quo is noted in the notes to the 2010 financial audit and was confirmed to the Fact-Finding Team by members of the Tiffin Board.

In addition, while it appeared that Tiffin brought the joint venture to the attention of the Commission President and the comprehensive evaluation team in previous years, it did not properly apply for a Change of Control, Structure or Organization, or formally inquire about the need for such approval, once it became aware, or should have been aware, that the Change of Control, Structure or Organization policy was approved and operational. While Tiffin has disputed this finding and argued that its brief and occasional notes to the Commission president about the arrangement during the years since the adoption of the policy in June 2007 should be deemed sufficient, it is important to note that it is ultimately the responsibility of an accredited institution to report appropriate and complete information about significant changes at an institution. Tiffin's notes to the Commission President indicate an awareness of the need to place some information, however minimal and lacking in supporting documentation, into the record about the relationship but do not demonstrate the attention required of an institution to ensure that it is following Commission procedures appropriate to the nature of the change.

Tiffin has not demonstrated the integrity required by this Core Component. Therefore this Core Component is not met.

- 2.B. The institution presents itself clearly and completely to its students and to the public with regard to its programs, requirements, faculty and staff, costs to students, control, and accreditation relationships.

Tiffin has appropriate policies that govern the organization and its interactions with students. These policies are detailed in its Bylaws, handbooks, bulletin and on its website. There is no evidence that Tiffin has engaged in any wrongdoing identified by state, federal or other agencies.

As previously noted with regard to the Eligibility Requirement #11, it is not clear to what extent these policies apply to AU/Ivy Bridge governance and operations. Clearly, because AU/Ivy Bridge is governed by a Board of Managers, the Bylaws and related policies do not apply to AU/Ivy Bridge. In addition, the AU/Ivy Bridge website is unclear about what policies do apply, particularly with regard to students, and there is no established link to specific areas of the Tiffin website where such information may be found. This Core Component is met but with concerns.

- 2.C. The governing board of the institution is sufficiently autonomous to make decisions in the best interest of the institution and to assure its integrity.

As noted with regard to Eligibility Requirement #4, Tiffin has a self-perpetuating Board of twenty Trustees that operates under its own Bylaws. In general the Board appears to function autonomously. It appeared to have made the decision to approve Tiffin's participation in the joint venture free of undue influence. The Board appointed a subcommittee, "AU Committee of the TU Board of Trustees." However, it is not clear to what extent the Board is able to exercise meaningful oversight over the activities being done under the Tiffin name at AU/Ivy Bridge.

Under the terms of the Operating Agreement a Board of Managers governs AU and effectively Ivy Bridge since these entities are largely co-terminus. The Board of Managers has three representatives of AE and two representatives of Tiffin, including the President and the chair of the Board's AU Committee. The three representatives of AE consist of AE's President and founder and two individuals who also work for AE and report to the President. The Board of Managers is entrusted according to the Operating Agreement with broad powers and discretion to manage and control the business, property and affairs of AU/Ivy Bridge.

At several times during the Fact-Finding Visit, when the Fact-Finding Team asked about how certain high-level decisions were made at AU/Ivy Bridge, individuals in the meetings noted that such decisions were made by the Board of Managers of AU. The Operating Agreement of AU notes that in "all matters in which a vote, approval or consent of the Members is required, a vote, consent, or approval of the Members holding more than 50% of the Common Unit Percentage Interest shall be sufficient to authorize or approve such act." (Section 4.8, Voting Rights.) Since AE holds 80% of the Common Units, AE effectively makes all decisions for this Board of Managers, and, since two of the AE representatives on the Board report to the third individual, the President of AE, that individual effectively makes all decisions for the Board of Managers, even while ostensibly consulting with the two Tiffin representatives also on the Board. However, when the Fact-Finding Team met with the Board of Managers, that Board downplayed its role in decision-making. What is clear is that the joint venture and limited liability corporation, AU, does not appear to be under the control of the Tiffin Board of Trustees, which is the entity the Commission holds accountable for the integrity of the institution's

operations, and Ivy Bridge College is also not sufficiently or clearly under the control of the Tiffin Board of Trustees, particularly to the extent its operations are co-terminus with those of AU.

The compromising of Tiffin Board autonomy is illustrated in its decision to license some Bachelor's and Master's level programs to AU/Ivy Bridge (and give up Tiffin's own ability to offer the programs for some years) for the purpose of allowing AU/Ivy Bridge to approach WASC-Sr. for accreditation of AU/Ivy Bridge. In this case, the Tiffin Board placed the interests of AU/Ivy Bridge before those of Tiffin. In addition, the Tiffin Board has little or no governance impact on finances at AU/Ivy Bridge, though AU/Ivy Bridge serves about two fifths of the students that Tiffin counts in its enrollment and for which it draws down Title IV funds under its OPEID.

In addition, the Tiffin faculty does not exercise appropriate oversight over the academic programs of AU/Ivy Bridge, other than in formal curricular change. As previously noted, those programs were licensed to AU/Ivy Bridge with a very broad grant of authority. The President confirmed that the faculty was not consulted about the licensing of these programs. Tiffin has asserted that the Tiffin faculty nevertheless maintains control of the quality of all the academic programs at AU/Ivy Bridge. The Fact-Finding Team met with both the Tiffin and AU/Ivy Bridge faculties. While the faculties affirmed an oversight of these programs, when asked for specific details related to program review and improvement, oversight of assessment of student learning, or other faculty responsibilities related to the curriculum and how these were exercised with regard to AU/Ivy Bridge programs, the faculty was not able to articulate detailed and clear processes by which Tiffin faculty exercised oversight or by even which AU/Ivy Bridge faculty exercised oversight. While it was clear that suggestions for curricular improvements were encouraged from faculty at AU/Ivy Bridge, processes for regular operational curricular oversight by the Tiffin and AU/Ivy Bridge faculty of the AU/Ivy Bridge academic programs had not been institutionalized and conducted on regular basis by defined faculty groups following identified procedures.⁶ The attached NFI analysis describes the abrogation by main campus Tiffin faculty of any meaningful role in judging or improving retention at AU/Ivy Bridge.

The pattern of evidence indicates that Tiffin, its Board and faculty do not adequately assure the integrity of AU/Ivy Bridge and its business, financial and academic operations and that the Tiffin Board does not consistently make autonomous decisions in the best interest of Tiffin when dealing with AU/Ivy Bridge, as required by this Core Component. Therefore, this Core Component is not met.

2.D. The institution is committed to freedom of expression and the pursuit of truth in teaching and learning.

2.E. The institution ensures that faculty, students, and staff acquire, discover, and apply knowledgeably.

⁶ Tiffin has included in its response a document from Altius Education outlining various analytics for determining when students are likely to succeed in a course (Attachment E) and a schedule for course production and development queue for June 2013 (Attachment G). While it is not clear which exhibit responds to this section of the report, neither exhibit demonstrates a comprehensive system for regular curricular oversight by Tiffin faculty of AU/Ivy Bridge courses and programs.

Tiffin has appropriate policies and procedures related to academic freedom and use of knowledge. However, as previously noted, it remains unclear to what extent these policies relate to AU/Ivy Bridge. These Core Components are met.

Tiffin does not meet either Core Component 2.A related to integrity or, with the inclusion of the joint venture in its structure, 2.C related to governance. Core Component 2.B is met but with concerns. Core Components 2.D and 2.E are met. Therefore this Criterion is not met.

Criterion Three. Teaching and Learning: Quality, Resources, and Support

The institution provides high quality education, wherever and however its offerings are delivered.

Core Components

3.A. The institution's degree programs are appropriate to higher education.

The initiation of AU/Ivy Bridge has not had a significant effect on the appropriateness of degree programs elsewhere in Tiffin. While the Fact-Finding Team did not attempt to inspect programs on the main campus, it sees no reason that the review made during the comprehensive review of 2010 should have changed appreciably. That review was reasonably positive. At the same time, the Fact-Finding Team's review of eleven courses at AU/Ivy Bridge found them lacking in content appropriate for a college course. As indicated previously, AU/Ivy Bridge functions more or less autonomously of the main campus in academic matters outside formal curricular change and faculty hiring and promotion, and it is unlikely that this state of affairs can change under the current structure. Given the poor quality of at least some of the courses at AU/Ivy Bridge and the lack of oversight by faculty of the AU/Ivy Bridge degree programs, these programs are not appropriate to higher education as required by this Core Component. Therefore this Core Component is not met.

Tiffin has noted that AU/Ivy Bridge negotiated articulation agreements with more than 150 accredited colleges and universities is indicative of the quality of AU/Ivy Bridge offerings. While the large number of articulation agreements will be helpful to students who transfer, the institution presented no information to indicate how the institutions in the articulation agreements evaluated the credit offerings of AU/Ivy Bridge in making this decision to participate in the articulation arrangements or whether they simply relied on the accredited status of Tiffin in agreeing to these articulation agreements.

3.B. The institution demonstrates that the exercise of intellectual inquiry and the acquisition, application, and integration of broad learning and skills are integral to its educational programs.

As in the above Core Component, the Fact-Finding Team sees no problem outside AU/Ivy Bridge. Some of the courses looked at AU/Ivy Bridge were general education courses (e.g., ENG 140 Fundamentals of College Writing and HST 211 Western Society to 1500), which shared the character of lack of content and lack of rigor expected in a collegiate course. The highly compressed nature of the online class schedule and the low level of preparation brought by many AU/Ivy Bridge students raise further concerns about the application of intellectual inquiry or integration of broad learning skills taking place in AU/Ivy Bridge courses. Therefore

thee AU/Ivy Bridge programs lack the exercise of intellectual inquiry and integration of learning skills required by this Core Component. This Core Component is not met.

3.C. The institution has the faculty and staff needed for effective, high-quality programs and student services.

The Fact-Finding Team found the faculty and staff to be qualified throughout Tiffin and AU/Ivy Bridge. On the main campus, however, faculty overloads in some areas do raise concerns and need attention to ensure that faculty stay current in their fields, while carrying out their responsibilities in the classroom and in curricular oversight. At AU/Ivy Bridge, it is not clear that the overall number of personnel is adequate for effective and high-quality programs, especially given the type of student AU/Ivy Bridge admits. This Core Component is met but with concerns.

3.D. The institution provides support for student learning and effective teaching.

The Fact-Finding Team found there to be support for student learning and teaching for seated classes. Lack of content of the online courses at AU/Ivy Bridge leaves doubt about adequate support for teaching in this mode of delivery, though there is certainly some support for online teaching. The current students at AU/Ivy Bridge interviewed by the Team gave good marks to their coaches and reasonable marks to their tutors, though there may not be enough of them for student learning or to fulfill the promise of AU/Ivy Bridge of enhancing student preparedness for transfer. This Core Component is met but with concerns.

3.E. The institution fulfills the claims it makes for an enriched educational environment.

The Fact-Finding Team was not aware of any notable claims for an enriched educational environment.

Tiffin does not meet either Core Component 3.A or 3.B related to the quality and rigor of the courses at AU/Ivy Bridge. Tiffin meets Core Components 3.C, and 3.D but with concerns also related to the quality of the operations at AU/Ivy Bridge. Core Component 3.E is met. Therefore this Criterion is not met.

Criterion Four. Teaching and Learning: Evaluation and Improvement

The institution demonstrates responsibility for the quality of its educational programs, learning environments, and support services, and it evaluates their effectiveness for student learning through processes designed to promote continuous improvement.

Core Components

4.A. The institution demonstrates responsibility for the quality of its educational programs.

The Fact-Finding Team found reasonable responsibility being taken for quality on the main campus. As indicated previously, however, there does not seem to be substantial operational oversight of AU/Ivy Bridge from Tiffin, and the main campus faculty has not exercised responsibility in reviewing academic operations of the joint venture. Tiffin is not demonstrating responsibility for the quality of the AU/Ivy Bridge operation as required by this Core Component. This Core Component is not met.

- 4.B. The institution demonstrates a commitment to educational achievement and improvement through ongoing assessment of student learning.

The Fact-Finding Team was aware of the assessment effort on the main campus and finds it acceptable. There did not appear to be any attempt to compare learning outcomes at AU/Ivy Bridge with those on the main campus, though, with AU/Ivy Bridge in existence only since 2010, data would presumably be limited at this point. Nevertheless, it did not appear that reasonable assessment of student learning was taking place at AU/Ivy Bridge or that there was any commitment at AU/Ivy Bridge to improving educational achievement through a developed and rigorous process of assessing student learning. This pattern of evidence leaves the Commission Staff with serious concerns over whether this Core Component is met. However, because AU/Ivy Bridge is a relatively new operation that will need some additional time to develop mature assessment approaches, this report concludes that the Core Component is met but with concerns.

- 4.C. The institution demonstrates a commitment to educational improvement through ongoing attention to retention, persistence, and completion rates in its degree and certificate programs.

As indicated in the attached NFI analysis, the extremely poor retention rate for new students (25%) at AU/Ivy Bridge, and the lack of any effort on the part of Tiffin or AU/Ivy Bridge to improve this rate, demonstrates to the Fact-Finding Team that Tiffin does not currently meet this Core Component. The Tiffin Board has not had discussions about student success at AU/Ivy Bridge, and the main campus faculty was reluctant to set any goal for improvement in the AU/Ivy Bridge retention rate. The last-minute projection of improvement by the AE CEO to 35% when asked about a reasonable goal for student retention was markedly insufficient in the eyes of the Team. This projection was not backed up by strategies other than asking for transcripts and keeping close tabs on area codes where phony potential students had called from in the past. When all is said and done, the attitude of AU/Ivy Bridge is best summed up by its Campus Executive Officer in blaming the low rate on the low quality of the students.⁷ Tiffin lacks strategies for setting thresholds for student success at AU/Ivy Bridge or the mechanisms to achieve those strategies, as required by this Core Component. This Core Component is not met.

Tiffin does not meet either Core Component 4.A or 4.C. related to its failure to demonstrate responsibility for the quality, or lack thereof, of the programs at AU/Ivy Bridge or any commitment to educational achievement or improvement at AU/Ivy Bridge through attention to persistence and retention. At best, Core Component 4.B is met with concerns. This Criterion is not met.

Criterion Five. Resources, Planning, and Institutional Effectiveness

The institution's resources, structures, and processes are sufficient to fulfill its mission, improve the quality of its educational offerings, and respond to future challenges and opportunities. The

⁷ Tiffin in its response has noted that the low retention rate is possibly due to the high quality of its courses intended to prepare students for transfer to Bachelor's programs. The Fact-Finding Team found, however, that the courses it reviewed were not sufficiently rigorous for college-level courses. Therefore, this explanation of the retention issue does not seem plausible.

institution plans for the future.

Core Components

- 5.A. The institution's resource base supports its current educational programs and its plans for maintaining and strengthening their quality in the future.

Tiffin's financial resources are generally strong. Tiffin has significant long-term debt of approximately \$28 million. However, while Tiffin has struggled with this debt in the past, as previously noted with regard to Eligibility Requirement #8, it now has positive indicators of improving financial health. These include: rising net tuition revenue; improved gift-giving; and positive cash flow. With the improved economy, the value of the endowment has also increased from \$4.9 million in 2009-10 to \$7 million in 2011-12. Tiffin seems to be managing its debt and generally improving its financial situation for the future.

Tiffin's physical and human resources also appear strong. Tiffin has an attractive campus that is relatively new with limited deferred maintenance. It has sufficient faculty members with appropriate credentials and knowledgeable and experienced senior administrators and staff. While AU/Ivy Bridge has its own senior administrators, Tiffin administrators, as noted in the interviews with the Fact-Finding Team, have been asked to take on additional responsibilities to ensure that Tiffin is properly exercising its oversight responsibilities of AU/Ivy Bridge. In addition, were Tiffin administrators to be exercising the degree of oversight they should be exercising over a significant part of the institution, the workload should be even greater. There do not appear to be sufficient Tiffin personnel to provide the oversight for AU/Ivy Bridge that should be taking place.

AU/Ivy Bridge is differently situated than Tiffin with regard to financial resources. As previously noted, this entity is a start-up operation that is relying on significant infusions of capital from AE. AU/Ivy Bridge has yet to prove that it has stable finances and enrollment. On the financial side, AU/Ivy Bridge may generate sufficient revenues this year to pay its regular bills on its own for the first time. On the enrollment side, enrollment appears to have accelerated dramatically between fall of 2010 and fall of 2011 from approximately 1,600 to 3,200 students only to drop off between fall of 2011 and fall of 2012 to 2,800 students. As previously noted, retention is a significant challenge for AU/Ivy Bridge, further exacerbating enrollment issues.

AE is funded by investors that include Maveron, Spark Capital and Charles River Ventures. In November 2010, for example, AE received \$18.6 million in venture funding. AE's 2011 Financial Statements refer to AU/Ivy Bridge as a majority-owned subsidiary of AE. Because AE is largely operating on venture funding, understanding the investment horizon of the investors is important in understanding their business objectives. When asked by the Fact-Finding Team about the business objectives of the investors, the President of AE did not adequately explain those objectives or the investors' investment horizon.

AU/Ivy Bridge has limited physical and human resources. It has office space in Toledo, which houses most of the operations that support AU/Ivy Bridge. It has a faculty with only 11 full-time faculty members for approximately 3,000 students; the full-time faculty is augmented by a large group of adjunct instructors. AU/Ivy Bridge has a support staff of mentors, tutors,

financial aid professionals and others who support students in the College, but this staff is not adequate in number. As previously noted, 19 success coaches and 10 tutors is not a sufficient number of individuals to support a body of approximately 3,000 students, many of whom are at-risk open-access students who rely heavily on this assistance as the students reported in the conference call with the Fact-Finding Team.

Tiffin provides no cash or other resources of its own to support AU/Ivy Bridge even though Tiffin claims AU/Ivy Bridge to be a part of Tiffin. It has provided some intellectual property and some academic expertise, but its primary contribution to this relationship appears to be its accreditation so that AU/Ivy Bridge students are able to qualify for Title IV federal financial aid. Tiffin is essentially reliant on the good will and contractual obligations of AE and its investors to ensure that AU/Ivy Bridge has sufficient resources even though Tiffin claims responsibility for, and oversight of, AU/Ivy Bridge. Yet, as noted above, in many areas AU/Ivy Bridge's resources are thin. The lack of control of Tiffin over AU/Ivy Bridge's financial and other resources and the insufficiency of Tiffin personnel to provide appropriate administrative oversight leaves substantial concerns with this Core Component. This Core Component is met but with concerns.

5.B. The institution's governance and administrative structures promote effective leadership and support collaborative processes that enable the institution to fulfill its mission.

The Tiffin Board of Trustees appears to provide reasonable oversight of Tiffin. The administrative structure at Tiffin appears to perform effectively to exercise its oversight of the institution.

However, the Tiffin Board does not exercise appropriate oversight of AU/Ivy Bridge or have mechanisms through which to do so. The Tiffin Board has no mechanism to exercise governance effectively over AU/Ivy Bridge. While the Tiffin Board does have a subcommittee to ensure that it is appropriately informed about AU/Ivy Bridge activities, the Board has two representatives on the AU Board of Managers; AE has the controlling votes on that Board of Managers not only in terms of the number of votes it controls but also by virtue of the fact that it controls more than 50% of the common units in the LLC. When the Fact-Finding Team asked the Tiffin Board about a serious issue at AU/Ivy Bridge, its low graduation and retention rates, not only was the Board not informed about the issue, it was not entirely clear what the Board could do about it. This incident illustrates the lack of knowledge or control by the Board of this entity regardless of whether it is AU or whether it is Ivy Bridge.

In addition, Tiffin administrators have no authority over functional areas at AU/Ivy Bridge. When the Fact-Finding Team asked key administrators at Tiffin about certain problems that might arise in the equivalent functional area at AU/Ivy Bridge, many of them believed that they had no oversight of that area on the AU/Ivy Bridge side or were unsure. This view is clearly reinforced by the organizational chart in which AU/Ivy Bridge personnel ultimately report to the Campus Executive Officer not to any functional department or senior administrator at Tiffin. And the Campus Executive Officer while ostensibly reporting to the Tiffin president, is listed on the AE website as one of its employees. It was also clear from her interview with the Fact-Finding Team that, while she was interviewed by the Tiffin president prior to her employment, she was handpicked by the President of AE for this role. Tiffin's oversight of AU/Ivy Bridge is nominal at best and does not demonstrate the effective leadership required by this Core

Component. In addition, Commission approval of programs licensed under a contractual arrangement requires proper oversight by the accredited institution, and the Fact-Finding Team did not find that this requirement to be fulfilled in this respect either. This Core Component is not met.

5.C. The institution engages in systematic and integrated planning.

Tiffin, AU/Ivy Bridge and AE appear to have engaged in a reasonable planning process related to the joint venture. The business plan is thorough and makes reasonable projections for future revenue and growth at AU/Ivy Bridge. It is unclear, however, that AU/Ivy Bridge has its own strategic plan or that Tiffin's strategic plan encompasses AU/Ivy Bridge. In the materials presented to the team it appears that AU/Ivy Bridge will engage in a formal academic planning process either later this year or even after independent accreditation is achieved. This Core Component is met but with concerns.

5.D. The institution works systematically to improve its performance.

As reflected in the discussion on Core Component 4.C related to student success, there has been inadequate effort to improve the poor retention rate at AU/Ivy Bridge. Likewise other aspects of the AU/Ivy Bridge operation (such as the lack of content in courses) appear either to have been ignored or written out of the responsibilities of Tiffin. The Fact-Finding Team does not believe the joint venture, as currently structured, can allow Tiffin to meet this Core Component, even if the main campus had made dramatic strides in several areas, including finance. This Core Component is not met.

Tiffin does not meet either Core Component 5.B related to Tiffin's governance and administration of AU/Ivy Bridge or 5.D related to Tiffin's work to improve the performance of AU/Ivy Bridge. Core Component 5.A related to the resources of AU/Ivy Bridge and Tiffin's control over those resources is at best met with concerns, and Core Component 5.C is met but with concerns about the strategic and academic planning related to AU/Ivy Bridge. This Criterion is not met.

4. Sufficiency of financial support for the transaction.

There appear to be adequate financial resources to support the joint venture and LLC in the short term. AE has significant venture funding that it appears to have invested consistently in AU/Ivy Bridge since its inception. AE has invested slightly more than \$10 million in AU/Ivy Bridge as of early 2013. There is no indication that AE has stepped back or will step back from its commitment to fund the joint venture and related LLC until they can turn a profit and become accredited by another recognized accrediting agency as a separate institution. (As noted above, however, the joint venture's financial wherewithal on a long-term day to day basis is unproven and outside the control of the accredited institution.)

5. Previous experience in higher education, qualifications, and resources of the new owners, Board members or other individuals who play a key role in the institution or related entities subsequent to the transaction.

Tiffin has a capable and experienced senior administrative staff with experience in higher education. AE, on the other hand, is a new business. It was founded in 2007, and initiated this

joint venture shortly after it was founded. While some of its key employees have some higher education experience, most of its key employees do not. AE itself has no experience managing an accredited institution. While conversations with its President indicated his interest in finding solutions to address higher education problems such as access, for example, it was unclear why he thought that this interest was best served by managing or operating a college or part of a college. While Tiffin claims to provide oversight over AU/Ivy Bridge, it appears that from a functional perspective such oversight is nominal. Moreover, AU/Ivy Bridge is not organized to allow Tiffin administrators to provide oversight of AU/Ivy Bridge in functional areas. Finally, the structure and voting provisions outlined in the Joint Venture and related agreements clearly place control over the joint venture and related LLC with AE even while allowing for oversight by Tiffin of certain academic functions. Given the substantial role of AE in important aspects of the functions of AU/Ivy Bridge, this lack of previous experience is significant.

Characteristics of A Component That May be Included in an Accredited Institution

A component must demonstrate certain characteristics, as defined by Commission policy, in order for that component to be included in the institution's accreditation.

The component may be included in the institution's affiliation only if it has all of the following characteristics:

1. the home campus or system office has oversight over the finances, administration, and hiring, firing and retention of personnel at the component;
2. an administrator for the component reports to the CEO of the affiliated institution or the system;
3. the home campus or system office provides meaningful oversight over the academic programs at the component;
4. degree-granting authority of the home campus or system office encompasses, where possible, the degree or program activity of the component;
5. public information about the institution, the component, and any corporate parent or structure is consistent with the characterization of the entity as a component of the affiliated entity.

As noted at several points in the report, the proposed component lacks these characteristics. Tiffin has limited oversight of the finances, administration, and personnel at AU/Ivy Bridge. While the Campus Executive Officer of AU/Ivy Bridge nominally reports to the Tiffin President, she is clearly part of the AE team and is reported on AE's website as part of that team. The Tiffin administration does not oversee the functional or operational areas of AU/Ivy Bridge. While Tiffin's degree-granting authority covers the level of the degrees at AU/Ivy Bridge, it is not clear that the Ohio Board of Regents has appropriately reviewed and authorized the activities of AU/Ivy Bridge as part of Tiffin. Finally, as noted several times in this analysis, public information does not indicate that AU/Ivy Bridge is a component of Tiffin much like any other department or campus at Tiffin. It is not clear from public information whether Tiffin's regular academic policies and procedures, tuition and refund structure, and other processes extend to AU/Ivy Bridge. Clearly the student services and academic programs are different than what students would find on the main campus or at other Tiffin facilities.

Conclusion

This report identifies serious issues related to the proposal to include the joint venture and limited liability corporation within the accredited institution. The Commission's test to include a joint venture or limited liability corporation in an institution's accredited status, particularly where there is a third-party that will benefit financially or otherwise from this extension of accreditation, is whether the new structure is sufficiently continuous with the previously accredited institutional structure and whether the new structure meets the Commission's Criteria for Accreditation. Tiffin has not demonstrated that the institution's mission, student body, faculty and educational programs are appropriately extended through the joint venture and limited liability; in fact, it appears that the AU/Ivy Bridge student body, faculty and educational programs are not at all like those structures on the Tiffin campus. Moreover, Tiffin's historic mission, objectives, outreach, scope, structure and related factors are not being continued and maintained in the same way through the joint venture and related LLC, and Tiffin has failed to acknowledge, or plan for, changes in those areas.

In addition, with the inclusion of the joint venture or limited liability corporation, there are serious issues of quality. Tiffin would not remain in compliance with Criterion Two, Core Components 2.A and 2.C; Criterion Three, Core Components 3.A and 3.B; Criterion Four, Core Components 4.A and 4.C; and Criterion Five, Core Components 5.B, and 5.D. Other Core Components are met but many with concerns. This significant non-compliance indicates large-scale issues with the quality of the AU/Ivy Bridge academic operations and resources and with Tiffin's oversight of them.

Tiffin has also failed to demonstrate that the investors who effectively operate the joint venture and related LLC have significant experience or expertise in running an accredited institution or a component thereof. While Tiffin has experienced and capable Board members and administrators, those individuals have nominal authority over AU/Ivy Bridge academics and operations.

Therefore Tiffin has not demonstrated that the transaction meets the factors for approval of Change of Control, Structure or Organization. Tiffin has also not demonstrated that AU/Ivy Bridge meets the requirements for a component that seeks to be included in the accreditation of an accredited institution.

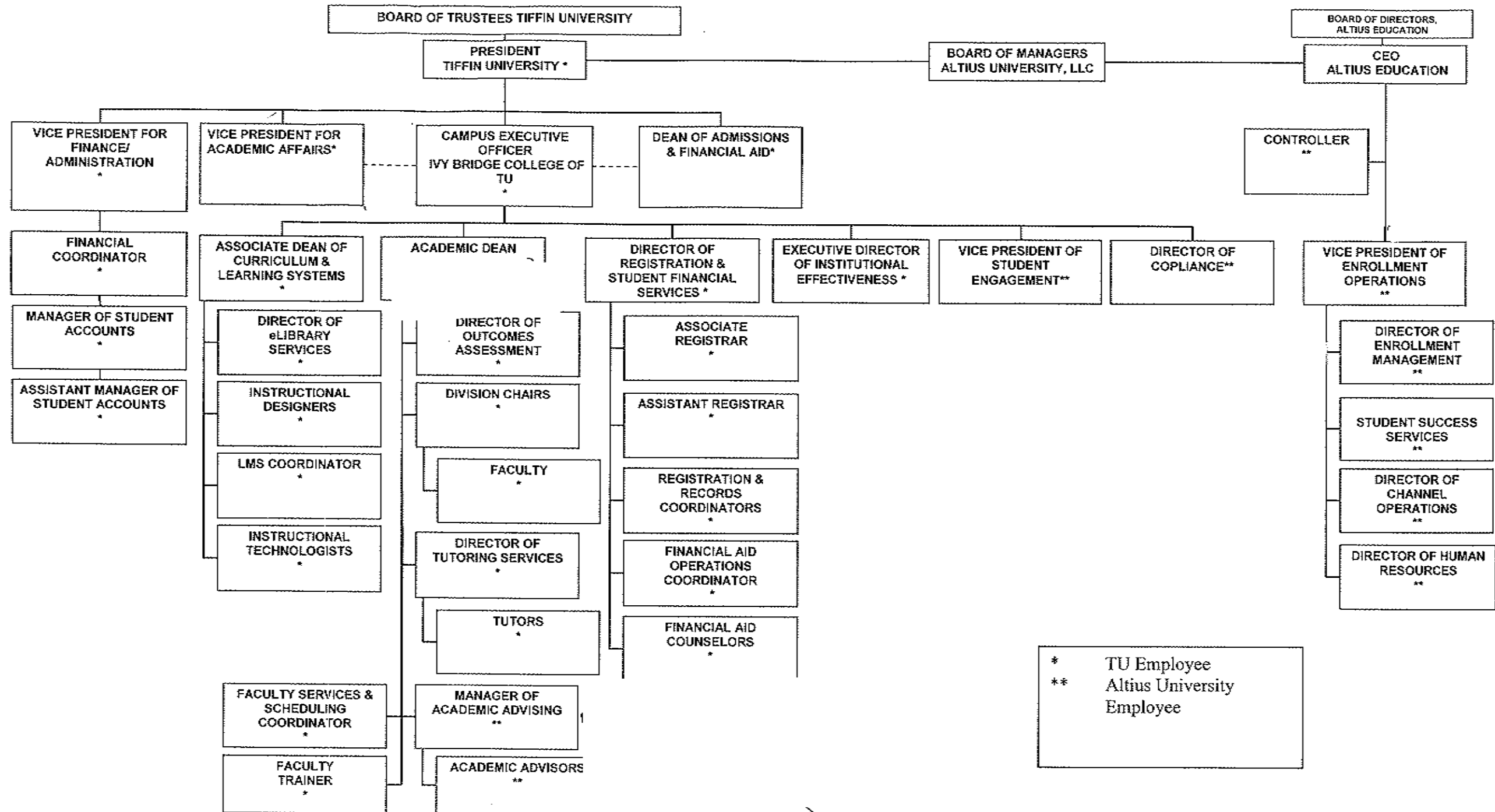
As noted in various places in the report, the Commission also alternatively considered whether the arrangement could be approved as a contractual relationship with AU/Ivy Bridge or AE. It cannot. The lack of oversight by Tiffin of the arrangement and the quality issues related to the academic content and formatting provided by AE would not meet the Commission's requirements for approval of a contractual relationship under its policies on institutional change.

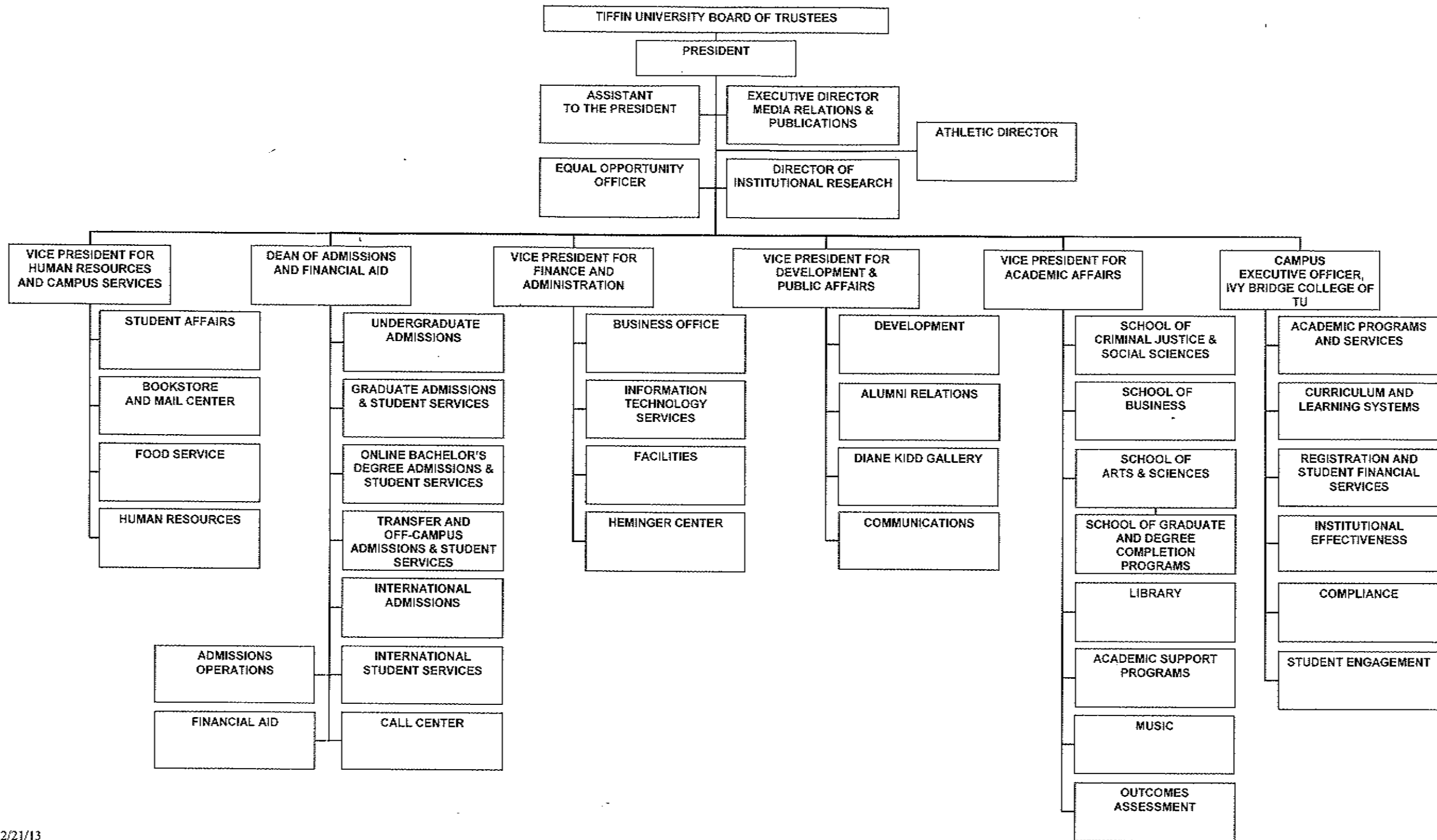
Finally staff members note their concern with the apparent sale of accreditation to another entity. Tiffin has invested no cash in the creation of the joint venture and licensed programs to AE that it claimed to the Fact-Finding Team had little value. The only asset it has provided is its accreditation as noted by its auditor in the Notes of the 2010 audit. This Change of Control, Structure, or Organization evaluation has confirmed that Tiffin has provided its

accreditation to another entity in exchange for various fees.

Attachments: Organizational Chart, Fact-finding Visit Report, NFI Report

Joint Venture Organization Chart





RECORD OF DISCUSSIONS FOR A FACT-FINDING VISIT TO TIFFIN UNIVERSITY

March 11-12, 2013

Fact-Finding Team

HLC Peer Reviewers Barbara Gayle, Vice President for Academic Affairs and Dean of Graduate School, Viterbo University, WI; David Wantz, Associate Vice President, Community Relations/Associate Professor of Psychology, University of Indianapolis, IN

HLC Staff Karen L. Solinski, Vice President for Legal and Governmental Affairs, Higher Learning Commission; Robert Appleson, Vice President for Accreditation Relations, Higher Learning Commission;

Fact-Finding Record

The Fact-Finding Team Record provides a list of discussions by the various constituencies that met with the team and indicates the general topics of those discussions. The Record does not attempt to analyze the factual basis for these statements or, in most cases, to provide commentary. The Staff Summary Report will analyze the information gathered from the discussions recorded here and from other documents related to the Change of Control and make findings where appropriate with regard to the Change of Control approval factors.

Overview

Tiffin University was previously visited during its comprehensive review in 2010. At that time, Tiffin had proposed the online offering of an Associate of Arts program as a joint venture with Altius Education, Inc., a company based in California that is not accredited by a USDE-recognized commission. This online operation is known as Ivy Bridge College of Tiffin University (IBC) and is located in Toledo, OH, a little over an hour's drive from the main campus in Tiffin, OH. IBC does business as Altius University, LLC. As a result of the 2010 review, the online arrangement was approved, but the review did not reflect changes in current HLC policy on Change of Control and Contractual Arrangements. Also, Tiffin had approached HLC about opening a location in Oakland, California building on the model of IBC as a joint venture.

To these matters of fact-finding for the March 2013 visit was added a review of accreditation concerns over non-financial indicators (NFI). Tiffin had recently been identified in the annual NFI process because of high enrollment growth and a low level of graduation relative to the level of FTE undergraduates. The visit included tours of the main campus and the IBC facility.

FACT-FINDING VISIT: DAY ONE IN TIFFIN, OH

Meeting 1 with President and Vice President for Academic Affairs

Topics: introductions, expectations of visit, review and modification of agenda

Meeting 2a with Vice President for Academic Affairs

Topics: overview of the academic units and relationship to IBC, academic input into initiation of the joint venture with Altius Education, level of oversight by VPAA in operations of IBC and its agreements with other institutions, future academic plans in relation to IBC, extent of financial support for Academic Affairs from joint venture, faculty loads on main campus with frequent overloads and little release time, retention rates at IBC in relation to the main campus.

Meeting 2b with the Vice President for Finance and Administration, IBC Campus Executive Officer, Dean of Admissions and Financial Aid

Topics: overview of the institution, history of the initiation of the joint venture with Altius Education and nature of consultation in decisions, level of institutional oversight in operations of IBC and administrative integration of IBC into overall University administration, future institutional plans in relation to IBC, demographics of IBC students, financial information about the joint venture including the relative stakes of Altius Education and Tiffin and future financial expectations.

Meeting 3 with seven members of the Tiffin University Board of Trustees (some in person and some by phone conference)

Topics: governance, history of the joint venture with Altius Education and nature of discussions by Board in acting on the joint venture, connection of IBC to mission of Tiffin, level of Board's agreement with the 2010/2011 auditor's description of Altius payments to Tiffin as fee for services including use of accreditation, nature of legal advice given the Board on the joint venture, future plans for the joint venture, Board awareness of IBC retention and default rates and of student privacy issues linked to joint venture.

Meeting 4a with Dean of the School of Business and with Academic Dean of IBC

Topics: Types and level of interaction between IBC and the School of Business, curricular consistency and faculty credentials, faculty loads at IBC and in the School of Business (which has no overloads), shared academic governance, comparison of retention rates at IBC versus the School of Business.

Meeting 4b with Dean of Academic Support Programs, Associate Registrar, Director of Student Success Center and Disabled Student Services, Director of Academic Advising, IBC Director of Registration and Student Financial Services

Topics: student academic records, academic advising services, relationship of IBC services to those on the main campus, level of interaction between student service providers on the main campus and those at IBC, sharing of information, student tracking systems, student support systems, academic and other student policies.

Meeting 5a with Dean of School of Arts and Sciences and with Dean of School of Graduate and Degree Completion Programs

Topics: types/level of interaction between IBC and main campus including shared information, curricular consistency and faculty loads, use of online delivery, current and expected level of enrollments, expected retention levels for online delivery versus seated classes, level of transfer from IBC to Tiffin main campus, lack of supervision for general education at IBC, switching of online platform on main campus to match IBC.

Meeting 5b with Head Librarian, Dean of Students, Director Transfer and Off-Campus Admissions/Student Services, Director of Online Degree Completion Admissions/Student Services, Director Graduate Admissions/Student Services

Topics: library services, services under Dean of Students, service for online and degree completion students, graduate admissions, transfer of IBC students to Tiffin 4-year programs, interaction with IBC offices, sharing of information, program movement from Tiffin to IBC, review of student academic progress.

Meeting 6a with Dean of Admissions and Financial Aid, Director of Financial Aid, IBC Director of Registration and Student Financial Services

Topics: admissions and recruitment, marketing budget, tuition models for IBC and Tiffin, enrollment growth, demographics of main campus vs. IBC students, financial aid, growth and distribution of Title IV funds, default rate, interaction between IBC and main campus offices, sharing of information, handling of student information and student privacy, student information systems.

Meeting 6b with approximately 12 main campus faculty and academic program chairs

Topics: nature of faculty governance in planning/approving joint venture, participation of IBC faculty in academic governance, level of involvement by main campus faculty in ensuring course consistency/rigor at IBC, awareness of retention differences between main campus and IBC, goals for improved retention at IBC, interaction between IBC faculty and main campus faculty.

Meeting 7 with Vice President for Finance and Administration, Controller, and Financial Coordinator

Topics: level of IBC budget control by main campus, consistency of financial information and adherence to fiscal policies, timing of payments from Altius, level of reimbursement of Tiffin salaries and benefits at IBC vs. level of payments not directly tied to Tiffin salaries and benefits at IBC, effect of joint venture on main campus spending, earn-out payments, service fee, debt service and possible refinancing.

Meeting 8 with President

Topics: rationale for licensing rights to offer Tiffin programs to Altius (with main campus excluded from offering them), lack of faculty input into this licensing, context of institution with financial challenges prior to the joint venture, mission of institution to serve students who would not otherwise be served, openness and responsiveness of institution to the Commission over the joint venture.

FACT-FINDING VISIT: DAY TWO IN TOLEDO, OH

Meeting 1 with IBC Campus Executive Officer

Topics: introductions, expectations of visit, review and modification of agenda, hiring and background of Campus Executive Officer, cause of low retention at IBC, transfer level from IBC to Tiffin, limited planning for adding new degree programs at IBC, extent to which Campus Executive Officer also works for Altius Education.

Meeting 2 with CEO of Altius Education, Inc.

Topics: history of Altius Education and its connection to Tiffin University and the joint venture, Altius investors, role of Altius Education in Altius University (IBC), role of Altius Service LLC, development of and plans for Helix, plans for future with California presence, plans for WASC accreditation, need for at least one baccalaureate program to be eligible for Western Association of Colleges Schools (WASC Senior) accreditation

Meeting 3a with four members of Altius University Board of Managers

Topics: governance of the joint venture, extent to which Board of Tiffin University remains involved in certain decisions, strategic planning, business and financial objectives, budget oversight, current or deferred compensation of the members of the Board of Managers.

Meeting 3b with IBC Director of Registration and Student Financial Services, Acting Controller, Vice President for Student Engagement (last two are employees of Altius University, LLC)

Topics: adherence to Tiffin University policies for student records and financial aid, use of Tiffin University's OPEID for purpose of financial aid at IBC, functioning of Altius University employees in Tiffin University environment, information tracking to promote better student advising, vendor payments made directly by Altius University, reporting of financial data and sharing with main campus

Meeting 4 with approximately 15 currently enrolled IBC students by teleconference

Topics: factors in decision to attend IBC, participation in Title IV, nature of learning environment and satisfaction, role of tutors and coaches in supporting instruction and degree of student access, level of student work required.

Meeting 5 with approximately a dozen IBC full-time faculty

Topics: IBC faculty roles and relation with main campus, prerogatives in changing course content from that of main campus, level of operational interaction with main campus in maintaining consistent rigor and coverage such as in reviewing tests, participation in academic governance, accelerated format of courses, interaction with tutors and coaches, hiring, review and promotion.

Meeting 6 with IBC Director of Tutoring Services, Vice President for Enrollment Operations, Manage of Academic Advising, Director of Student Success Services (last three are employees of Altius University, LLC)

Topics: IBC retention rate and level of expected improvement, placement process, possible causes for low rate involving misrepresentation by potential students to get Title IV, transcripts now required to improve retention, use of Altius Education marketing staff in San Francisco, student privacy issues and question of sharing student information under vendor designation.

Meeting 7 with approximately a dozen IBC adjunct faculty by teleconference

Topics: level of orientation, how IBC adjunct faculty members are supervised, expectations for student success, accelerated format of courses, whether adjunct faculty members are paid as part-time employees or as independent contractors, role of adjuncts in program review and assessment of student learning, tutored and non-tutored courses.

Meeting 8 with President and with CEO of Altius, Education, Inc.

Topics: Rationale for focusing on AA degree in original conception of joint venture, justification for recent addition of other degrees at IBC, IBC retention rate and a reasonable goal for improvement, alternative arrangements to preserve IBC, next steps in accreditation process.

ANALYSIS OF NON-FINANCIAL REPORT IN CONJUNCTION WITH CHANGE OF CONTROL REVIEW

DATE: April 10, 2013

PARTICIPANTS: Barbara Gayle, David Wantz, Karen Solinski, Robert Appleson

INSTITUTION: Tiffin University, Tiffin, OH

EXECUTIVE OFFICER: Dr. Paul Marion

PREVIOUS COMMISSION ACTION RE: REPORT (If applicable): NA

ITEMS ADDRESSED IN REPORT: The Commission received the institution's report on the above topic on July 25, 2012 related to the following indicators (designated by "X"):

X1. Increase or decrease in enrollment (+/- 25% or more) from prior reporting year

☐ 2. Increase or decrease in degrees awarded (+/- 40% or more) from prior reporting year

☐ 3. Increase or decrease in full-time faculty (+/- 25% or more) from prior reporting year

☐ 4. 3-yr. student loan default rate (25% or more) in the period reported

☐ 5. Ratio of full-time faculty to degree programs (less than 1) in the period reported

☐ 6. Ratio of undergraduate FTE students to undergraduate FTE faculty (greater than 35) in the period reported

X7. Ratio of undergraduate FTE students to undergraduate degrees awarded (highest 3% of 4-year institutions)

TEAM ANALYSIS: In its report of July 25, 2012, Tiffin University attributed its 38% headcount enrollment growth from fall 2010 (4940) to fall 2011 (6816) primarily to new online enrollment at the associate level delivered through Ivy Bridge College (IBC) of Tiffin University. Tiffin describes IBC as a joint venture operated with a non-accredited organization, Altius Education, based in California. IBC is housed in a facility located in greater Toledo about an hour from Tiffin's main campus in Tiffin, OH. The formal corporate name of IBC is now Altius University.

The 38% increase in Tiffin's headcount is what triggered Indicator 1 above. As for Indicator 7 above, Tiffin stated that "many of the students have started their programs within the past 12-24 months and many are enrolled part-time." Tiffin explained that as a consequence of this recent enrollment, "many of the students are not expected to graduate for another year or two." In other words, the numerator of undergraduate FTE in Indicator 7 would be increasing without a corresponding increase in the denominator of degrees awarded. This would cause the ratio to be higher than otherwise, thus causing the indicator to trigger.

While the statements in the Tiffin response seemed correct, the Commission determined that more inquiry was warranted because the explanation provided no specific evidence of a reasonable level of retention. Thus, the Commission directed that the Change of Control Visit on March 11-12, 2013, look into this matter further. In a conference at the beginning of the visit, the team inquired of seven Tiffin Board members (two in-person, and five by telephone) whether there had been any Board discussion of goals for improving

retention or default rates, and the team learned there had not been – though the Board members said they hoped these rates would improve. Shortly after that conference, when two team members asked the Vice President for Academic Affairs for the most recent retention rate at IBC, he gave a rough range and said he would get the most recent data according to the team's specifications. These data were provided a bit later in the visit (Attachment A). While the VPAA is generally aware of the low rate of retention, he indicated that, regarding IBC, he focuses more as the chief academic officer on insuring that faculty members are properly qualified and that Tiffin's academic policies are being followed.

Attachment A shows the number of fall 2011 enrollees who were still enrolled for fall 2012. Because there are two seven-week terms at IBC within the fall semester, the data included enrollees in either term during the fall semester. The team specified this feature of the data so as not to understate IBC's student success in light of the "stop out" phenomenon cited by Tiffin. Specifically, this feature counts as retained those students who stop out for a term but who return the following term. Of the 3111 degree-seeking students enrolled in fall 2011, 930 (30%) persisted to fall 2012. Of the 3111, 1443 were newly enrolled in fall 2011, and 360 (25%) of these new newly enrolled students persisted to fall 2012. Although 2-year institutions typically record substantially lower rates of retention than do 4-year institutions, the retention rates at IBC are notably poor even for 2-year institutions. In contrast, the retention rate for the same period for degree-seeking bachelor's business students at Tiffin was 64%, which is typical of non-selective 4-year institutions.

Two team members raised the matter of the IBC retention rates with a group of about a dozen faculty members on the main Tiffin campus, of which two reported having had direct experience with IBC courses. The faculty indicated that the rates had been worse earlier, which had been a concern, but had improved to the current levels. In response to questions from the team members, the faculty said they have not set objectives for the rates. Several stated that, as long as the rates are improving, that condition should be acceptable. Repeated attempts to get the faculty to say what an acceptable retention rate would be were not successful, and one faculty member argued that trying to set such an objective could lead to grade inflation. Another stated that a low retention rate should be expected and tolerated because everyone deserves a chance. The team members also tried to get the main campus faculty members to discuss their interaction with faculty at IBC, in part to understand the level of main campus involvement in student success at IBC. The chief response was that faculty members at IBC attend faculty meetings on the Tiffin campus and must submit curricular changes and matters of tenure and promotion for review and approval. There was little sign of any systematic attention by main campus faculty to student success at IBC.

On the second day of the visit, the team interviewed personnel at the IBC facility. These interviews made clear that faculty members at IBC are involved almost solely with instruction, with responsibility for other key student success factors charged to others at IBC. In particular, Ivy Bridge provides coaches and tutors for its students, though tutors are not as available for courses beyond entry-level. The team found a concerted effort to schedule these individuals to maintain coverage throughout the day and to maintain a reasonable response time. The team also learned about a College Readiness Assessment that is being used in conjunction with placement, but it was not clear how effective this assessment has proven. A teleconference with roughly 20 current IBC students showed satisfaction with IBC, especially regarding the role of the coaches. The team did not talk with students who had not persisted. The team saw no projections of retention rates improving into the future according to the team's fall-to-fall format or according to some other format.

Even with the concerted effort of coaches and tutors, the retention rates are very low, for which the Vice President for Student Engagement (an Altius University employee) noted the difficulty of retaining a typical mature student trying to balance the demands of family and work. When asked about low retention at IBC, the Vice President for Enrollment Operations (also an Altius University employee) blamed the low rates on people "from certain area codes" who game the system to get student financial aid with no intent of attending. She thus described IBC as a victim of fraud but commented that IBC is getting better at identifying suspicious area codes. Also, the requirement that applicants now submit high school transcripts should be expected, she said, to improve retention rates in the future by making it more inconvenient to game IBC admissions. When asked about other planned measures that might be taken to improve retention, she offered no other measures.

Interviews with roughly a dozen full-time faculty members at IBC indicated that they carefully follow the curriculum of Tiffin in their online instruction. (These faculty members receive their salary payments from Tiffin, but the money comes from Altius to Tiffin earmarked for the salary payments.) A team member found that the content of the several online courses she visited was very thin, which may play a role in the low IBC retention rates, especially given the challenge of accelerated learning coupled with non-selective admissions. (This content was not compared with that for seated semester-long courses on the Tiffin campus, where the retention rates are higher.) The faculty members at IBC mirrored the response of the main campus faculty in terms of their mutual interactions. One Ivy Bridge faculty member said he might consult a main campus faculty member if he had a question about test content.

Toward the end of the visit, the team interviewed the CEO of Altius Education, who, along with the president of Tiffin University and others, sits on the Altius University Board of Managers. The Altius Education CEO was asked for a goal of retention of new students and finally provided a figure of 35% for fall-to-fall retention, which the team regards as markedly insufficient. He also reinforced the idea that an operation like IBC has the potential to do a better job than community colleges (which have many other functions) in providing instruction for the Associate of Arts that can be transferred towards a four-year degree. Yet he was unable to explain why more Tiffin degree programs (including programs at the baccalaureate and Masters level) are now being transferred to IBC in apparent conflict with the idea of IBC focusing on the Associate of Arts. This conflict is even more troubling because of the poor performance at IBC in student success and because the original review of IBC by the Commission in 2010 assumed the then-stated AA focus, which was authorized by the Ohio Board of Regents. It should be noted that the Commission's approval of online delivery at that time does not set aside the expectation that Tiffin demonstrate an adequate level of student success.

In summary, the team finds that the IBC operation, which accounts for more than 40% of Tiffin's enrollment, does not meet Core Component 4C of the Criteria for Accreditation:

The institution demonstrates a commitment to educational improvement through ongoing attention to retention, persistence, and completion rates in its degree and certificate programs.

In particular, the team observed no substantial monitoring of or responsibility for retention at IBC by the Vice President for Academic Affairs, the faculty on the main campus, or the faculty at IBC. Those personnel at IBC who do seem to monitor retention seem inclined to justify the low retention rate on grounds that eliminate any institutional accountability. In addition, no substantial steps are being taken that would be expected to raise the retention rate to an acceptable level. Finally, the Altius Education CEO sets only an inadequate objective for retention of new students at IBC for the future, while even more Tiffin programs on the main campus are being moved to IBC.

The finding that Core Component 4C is not met carries no recommendation at this time, though a finding that a Core Component is not met could be expected to result in a recommendation for at least a sanction. Rather, the team's recommendation will appear in its draft report (to be shared within 30 days) on the Change of Control visit, which will take up a number of other issues. The finding that Core Component 4C is not met will be included in that report, and the present document is being provided separately to the institution in line with the Commission's policies and procedures on Non-Financial Indicators. The institution is now invited to submit within 14 days a further response to the issue of the Non-Financial Indicators in regard to the current finding. That further response may include both identification of perceived errors and any comments the institution wishes to make about the basis for the finding.

Because the matters involved in the current finding relate both to state authorization and to Title IV eligibility, the present document and the institution's response will be shared with the Ohio Board of Regents (OBR) and the U.S. Department of Education (USDE) at the time of the response. When the institution receives the draft visit report, it will also be asked to identify any errors of fact at the time, and it will be invited to submit a broader response to the final version of the report issued after the errors of fact identification. The final report and the institution's response to it will also be shared with OBR and USDE.

Datamark Acquires Technology Assets and Support Infrastructure from Altius Education

TOM DEARDEN APPOINTED CHAIRMAN; MATTHEW SCHNITTMAN TO JOIN AS PRESIDENT AND CEO

Salt Lake City, UT – October 10, 2013 – [Datamark \(http://www.datamark.com/\)](http://www.datamark.com/), the leader in data-driven enrollment marketing, today announced it has acquired the technology assets of Altius Education, including its competency-based online learning platform, Helix, as well as its enrollment management and student retention platforms. An investment group led by Oakleigh Thorne, current Chairman of the Board of Datamark and former CEO of eCollege, financed the transaction and committed an additional \$11 million in equity to fund the further development of the company's infrastructure, as well as support the growth of Altius' current educational partnerships, which will be managed by Datamark going forward.

Datamark, which has served the higher education market for more than 25 years, also announced that education-technology veteran Matthew Schnittman is joining the company as president and CEO. Current CEO Tom Dearden is assuming the role of Chairman of the Board. Furthermore, Datamark extended employment offers to 42 current Altius employees, and all offers have been accepted.

"Helix is an entirely new kind of online learning environment. It offers competency-based, personalized learning paths that can make education more affordable and efficient; it's underpinned by Big Data analytic tools that provide feedback for improving student outcomes; and, it lives in the Cloud, thereby reducing costs and offering extreme reliability," said Thorne. "Beyond that, the Helix authoring environment allows institutions to ease into competency-based learning by enabling them to present online courses in either a competency-based format or a more traditional course format."

"This acquisition further enables us to add a new suite of services to our traditional strength in enrollment marketing, including enrollment management services and student retention services, which allow us to address some of the most pressing challenges in higher education," Dearden said. "We are also delighted that both the development staff who built these terrific products, and the extremely experienced people who support Altius' services, have agreed to join our company."

Dearden, who has been with Datamark since 1989 and CEO for nearly a decade, helped grow the company from a small direct mail agency to a large, full-services direct marketing firm. He currently serves as chairman of the University of Utah Alumni Association Marketing Committee and previously served as chairman of the Education Marketing Counsel. Dearden will replace Thorne as chairman of Datamark, which was a division of eCollege from 2003 until 2007.

Schnittman spent almost 10 years in executive leadership roles at eCollege. He has held several education board positions, including his work for the IMS Global Learning Consortium board and his current role on the Denver School of Science and Technology board. Most

recently, he founded and served as CEO of SaaS student lifecycle management provider TopSchool.

“Matthew’s extensive background in education technology and his direct work with some of the most forward-thinking colleges and universities over the years have given him unique insight into the market and the needs of schools and students alike,” said Dearden. “We have the utmost confidence in Matthew’s leadership abilities, and believe he can successfully take our company to the next level as we invest in the future of this cutting-edge technology.”

“I’m looking forward to working with this ground breaking technology, as well as collaborating with the Datamark and Altius team members, all of whom have received rave reviews from the schools they support,” said Schnittman. “Datamark’s financial stability coupled with its impressive reputation in the higher education marketplace will be instrumental in advancing the functionality and accessibility of its newly expanded solutions.”

About Datamark

Since 1987, Datamark (www.datamark.com (<http://www.datamark.com/>)) has delivered innovative, data-driven marketing exclusively to higher education. The company provides marketing advisory research services, full-service lead generation and management, and conversion marketing solutions designed to reach, engage and motivate prospective students. Focusing on performance and visibility into the student enrollment cycle, Datamark helps schools drive higher return on their marketing investment.